

JPRS 71118

15 May 1978

USA: ECONOMICS, POLITICS, IDEOLOGY  
No. 4, APRIL 1978

U S S R

U. S. JOINT PUBLICATIONS RESEARCH SERVICE

## NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

## PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22151. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available through Bell & Howell, Old Mansfield Road, Wooster, Ohio, 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet journal articles displaying a copyright notice and included in this report are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Further reproduction of these copyrighted journal articles is prohibited without permission from the copyright agency of the Soviet Union.

<b>BIBLIOGRAPHIC DATA SHEET</b>	1. Report No. <b>JPRS 71118</b>	2.	3. Recipient's Accession No.
4. Title and Subtitle  <b>USA: ECONOMICS, POLITICS, IDEOLOGY No. 4, April 1978</b>		5. Report Date <b>15 May 1978</b>	
7. Author(s)		6.	
9. Performing Organization Name and Address <b>Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201</b>		8. Performing Organization Repr. No.	
12. Sponsoring Organization Name and Address  <b>As above</b>		10. Project/Task/Work Unit No.	
		11. Contract/Grant No.	
		13. Type of Report & Period Covered	
		14.	
15. Supplementary Notes Translation of the monthly, SShA: EKONOMIKA, POLITIKA, IDEOLOGIYA, published by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences, Moscow.			
16. Abstracts  The report contains articles by Soviet public figures, Americanologists, and others, on Soviet-American relations and on political, military, economic, scientific, technological, and other aspects of life in the United States and Canada.			
17. Key Words and Document Analysis. 17a. Descriptors  Political Science Sociology Economics Geography Propaganda			
17b. Identifiers/Open-Ended Terms			
17c. COSATI Field/Group 5D, 5K, 5C			
18. Availability Statement <b>Unlimited Availability Sold by NTIS Springfield, Virginia 22151</b>		19. Security Class (This Report) <b>UNCLASSIFIED</b>	21. No. of Pages <b>109</b>
		20. Security Class (This Page) <b>UNCLASSIFIED</b>	22. Price

15 May 1978

## USA: ECONOMICS, POLITICS, IDEOLOGY

No. 4, April 1978

Translation of the Russian-language monthly research journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences

CONTENTS	PAGE
Export of Capital to Developing Countries (R. I. Zimenkov).....	1
Pacific Region Development Trends and U.S. Policy (I. B. Bulay, A. A. Kokoshin).....	3
Local Issues in the Political Struggle (O. E. Tuganova).....	18
Charles Steinmetz, Friend of the Soviet Union (Sender Garlin).....	30
Presidential Messages to Congress (Yu. I. Bobrakov).....	31
Canadian Economy in 1977 (V. V. Popov).....	38
The Supreme Court and Civil Rights (S. A. Chervonnaya).....	40
Washington Maneuvers in South Asia (N. S. Beglova).....	47
Mobilization for Survival (S. A. Kharausov).....	53
'Congress Factor' in U.S. Foreign Policy of the 1970's (T. N. Yudina).....	56



CONTENTS (Continued)	Page
Boss. Richard J. Daley of Chicago* (Mike Royko).....	66
Postscript to 'Boss' (V. O. Pechatnov).....	67
Petroglyphs of North America (Ye. A. Okladnikova).....	69
Theories of Management: Goal-Oriented Approach (V. S. Rapoport).....	70
Book Reviews (S. A. Karaganov, I. N. Shcherbakov, A. P. Gorelova, A. K. Andreyev, S. F. Molochkov, V. A. Voyna).....	72
Sino-American Contacts (A. A. Nagornyy).....	90
Chronicle of Soviet-American Relations (December 1977 through February 1978).....	101

\* Not translated by JPRS

**PUBLICATION DATA**

**English title** : USA: ECONOMICS, POLITICS, IDEOLOGY  
No 4, April 1978

**Russian title** : SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA

**Author (s)** :

**Editor (s)** : V. M. Berezhev

**Publishing House** : Izdatel'stvo Nauka

**Place of Publication** : Moscow

**Date of Publication** : April 1978

**Signed to press** : 10 March 1978

**Copies** : 38,000

**COPYRIGHT** : Izdatel'stvo "Nauka", SSHA -  
ekonomika, politika, ideologiya, 1978

## EXPORT OF CAPITAL TO DEVELOPING COUNTRIES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 3-15

[Article by R. I. Zimenkov]

[Summary] During the last decade, profound changes have taken place in the domestic and international life of dozens of Third World countries. Many of them have begun an active struggle for economic independence and to change the entire system of their economic relations with the capitalist world. Some of them are insisting on control over their own natural resources, are developing their own specialist personnel and are nationalizing foreign enterprises. The United States is taking advantage of the socioeconomic differences between the developing countries in its own interest. It is searching for new, more flexible and more covert forms of expansion in order to maintain its hold on various Asian, African and Latin American nations.

By the beginning of 1976, all U.S. private and government investments in the Third World totaled around 110 billion dollars. Private investments accounted for approximately two-thirds of this total. The more intensive export of private capital in the 1970's has been largely due to the highly tense market conditions in the capitalist world, with its sharp production cuts, high rate of unemployment, shortage of raw materials and currency and energy crises. The U.S. Government has taken many steps to assist American corporations in their overseas investment activity and to strengthen their competitive potential.

American corporations have concentrated their investments primarily in the more highly developed and relatively young states with a larger domestic market, abundant natural resources and an advantageous geographic position. They have preferred to ignore the more underdeveloped countries, particularly those with no access to the sea. They have generally established production units and branches in the developing countries which remain totally under the jurisdiction of industrial centers in the West.

It is true that foreign capital is one of the factors contributing to the economic development of young states. With the aid of this capital, the state can modernize its economy, establish new branches and develop underdeveloped regions. In addition to foreign investments, these nations also acquire management and organizational skills, technological knowledge and technical innovations. Other benefits include increased employment, reduced prices due to mass production and an increase in state income due to larger tax revenues. But foreign private capital is also taking advantage of its position in the economies of the Third World countries to influence their socioeconomic development and to control the changes occurring in this region. For this reason, most of these countries are trying to place foreign capital, with all of its financial strength and technical and organizational abilities, at the service of national interests, combining the utilization of their technology and financial resources with some restriction of their activities in the interest of national development.

The United States is introducing certain new elements into its export of private capital to the developing countries in an attempt to adapt to these new conditions. But these elements have not made any fundamental changes in the essential features of U.S. expansionist practices and have only been aimed at the modernization of forms and methods. The developing countries are fully aware that the neocolonial policy of the United States is not in their national interests and are demanding that international economic relations be restructured on a democratic and egalitarian basis.

8588

CSO: 1803



## PACIFIC REGION DEVELOPMENT TRENDS AND U.S. POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 16-26

[Article by I. B. Bulay and A. A. Kokoshin]

[Text] Many of the works published in the United States in recent years have attested that American researchers and politicians are taking a much greater interest in, and are much more concerned with, present and future tendencies in the political and economic development of the Pacific region and the potential role of the United States in this vast part of the world.

The Pacific problem as such became an item on the agenda of 20th century international relations when imperialist Japan came on the scene after its victory in the war with tsarist Russia and its subsequent confrontation with American imperialism. For several decades, the antagonism between Japan and the United States remained the major international political problem in the Pacific region. The acute conflicts between these powers during that historical era were resolved, as we know, by the most radical means-- a war, as a result of which Japan was prevented from being one of the United States' dangerous rivals in the commercial and economic sphere and from taking an active part in international political relations for many years.

World War II considerably stimulated the further development of the Pacific emphasis in U.S. foreign and military policy and contributed to the establishment of important preconditions to cause the proportional significance of this region in all fields to become greater.

During the first years after the war, American researchers pointed out certain factors determining the United States' more intensive expansion in the Pacific zone. The author of one work noted that "the development of transportation, communications, trade and defense are changing the Americans' view of the world from one almost completely focused on Europe to a new and broader vista in which the East is gaining the center of our attention. And American foreign policy, which was previously almost totally based on ideas about Europe, is becoming increasingly oriented toward the Far East."<sup>1</sup>

American expansion in the Pacific zone after the end of the war was governed by the objective of active military and political struggle against the socialist countries and the national liberation movement on the Asian continent.

The outcome of the U.S. aggression in Vietnam and the entire war in Indochina had a decisive effect on the evolution of the American approach to the Asian and Pacific region, which was formulated at the end of the 1960's in the "Nixon Doctrine," in which there was already a marked shift toward greater concentration by U.S. ruling circles on regions in which the interests of the largest Pacific powers overlapped.

New tendencies in U.S. policy in this region took shape on the basis of the recommendations of prominent representatives of the American academic community.

University of California Professor R. Scalapino, under whose supervision a group of experts worked out the present Democratic administration's position on Asian issues, wrote that, "from the standpoint of strategic interests, the most important regions are the Pacific Ocean and Northeast Asia, and they are also vitally important from the standpoint of economic and political prospects."<sup>2</sup> H. Kahn, director of the Hudson Institute, using categories of long standing in the vocabulary of historian-geographers, deduced the following chain of events: from the "age of great rivers," characterized by the birth of civilization along the banks of the Nile, the Tigris and Euphrates, the Indus and Ganges and the Yangtze and Hwang-ho, to the "Mediterranean age" (the rise of the Cretan culture, Carthage, Greece and Rome), and then to the birth and rise of European-Atlantic bourgeois civilization. The Pacific region, in his opinion, will become the next link at the end of the 20th century and the beginning of the 21st.<sup>3</sup> R. Walker, one of the authors of "Prospects in the Pacific" and director of the International Studies Institute of the University of South Carolina, believes that Secretary of State J. Hay--the man who directed the active imperialist expansion of the United States in Asia at the end of the 19th century and the beginning of the 20th--was being prophetic when he said: "The Mediterranean is the ocean of the past, the Atlantic is the ocean of the present and the Pacific is the ocean of the future."<sup>4</sup>

The "Pacific Doctrine"<sup>5</sup> proclaimed at the end of 1975 by G. Ford attested to the desire of U.S. ruling circles to not only maintain "an active interest in Asia and presence in Asia and the Pacific" after the final defeat in Indochina, but also to attempt to seize the initiative in the development of the situation in this region. President Ford stressed the "absolute importance" of the Pacific region and linked its significance with the global foreign policy interests of the United States.<sup>6</sup> The major emphasis given to the thesis that "American strength constitutes the basis of any stable balance of power in the Pacific" attested to the intention of U.S. ruling circles to recover America's positions and influence in Asia and the Pacific.<sup>7</sup>

The current administration also has these goals in mind. In his campaign speeches, J. Carter emphasized the need for the so-called trilateral partnership of the industrially developed capitalist nations in North America, Western Europe and Japan,<sup>8</sup> as well as the need to take advantage of the political situation in the Pacific for the purpose of consolidating U.S. influence. "The United States has been and will continue to be an Asian and Pacific power," said Secretary of State C. Vance in June 1977, "and it will continue to maintain a strong military presence in this region."

The considerable interest taken by the United States in the Pacific region is due to the fact that this is the location of a number of the largest states in the world, both in terms of territory and population and in terms of actual and potential economic strength and international political influence.<sup>9</sup>

Several international political and economic factors of global and regional significance have made the Pacific region even more important in recent years. The continuous change in the world balance of power in favor of socialism, the changing relations between the developed imperialist states, the emergence of the developing countries on the world political scene and their more active foreign policy, and the increased anti-Soviet emphasis in Chinese foreign policy have all created a situation in this region which is characterized by a particular degree of political dynamism.

The increased significance of the Pacific in world affairs has derived from factors of a regional nature, particularly the growing strength of Japan, which has become the second greatest economic power in the capitalist world, as well as the development of such "middle-rank" capitalist states as Canada, Australia and New Zealand.

An increasingly perceptible role in the formation of a specific system of international relations in the region is being played by scientific and technical factors, particularly the progress in shipping, which is changing the Pacific Ocean from a body of water which had previously divided the countries bordering on it into the major and cheapest route for the exchange of raw materials and commodities. World War II showed that the Pacific was not an insurmountable obstacle from the strategic standpoint either, which is attested to by the sea and land battles, the bombing of Japan and the large-scale landing operations in regions located thousands of knots away from the major bases of the warring sides.

If we wish to determine the group of factors contributing to the political and economic dynamism of the situation in the Pacific, it would probably be best to first examine some of the basic trends in the development of the economic, political and strategic situation in this region, then distinguish between the regional developmental alternatives in the region and focus our attention on the key areas in which significant changes capable of promoting a particular developmental alternative may take place.



## Basic Trends

The development of events in this region have been influenced by a group of factors which can be classified according to two basic categories:

a) economic and scientific-technical and b) political and military-strategic.

Recent economic processes in the Pacific are turning this region into a new economic center of the capitalist world. Soviet researcher V. B. Yakubovskiy has pointed out the fact that "a particularly important place is occupied by the development of deep and lasting economic ties (foreign trade, investments and the exchange and transfer of technical and technological experience) between states in this region, which makes it possible to speak of perceptible tendencies toward the emergence of a Pacific economic complex in the capitalist zone of this region."<sup>10</sup>

The process by which a specific system of economic ties took shape in the 1960's and 1970's resulted from the general increase in the significance of the Pacific region in U.S. trade and economic policy, the increased American foreign trade in the region, the volume of which had already exceeded the volume of U.S. trade with the EEC countries by 1972 and amounted to 45.8 billion dollars in 1976 (an increase of 22.3 percent over the 1975 figure),<sup>11</sup> and the rapid expansion of U.S.-Japanese commercial and technological ties, which occupied one of the leading positions in the system of worldwide capitalist economic relations and simultaneously became the source of the exceedingly acute inter-imperialist conflicts which have been escalating for 10-12 years.

The development of active trans-Pacific economic ties has been promoted by the constantly growing postwar significance of the American West (the states of California, Washington and Oregon), the development of industrial urbanized zones in these states and the development of large coastal regions and cities in Japan, Canada, Australia and other countries, which require constantly increasing amounts of special-purpose capital investments and broader systems for ensuring their viability and, in turn, represent a source of economic, social and cultural development as well as new complex social problems.

One of the important indicators of the formation of a specific system of relations in the Pacific is the deeper division of labor and the rapid development of intraregional commercial and technological ties, which accounted for 41 percent of world capitalist exports and 40.6 percent of world imports in 1970 in the Pacific. The United States was the leader with 15 percent of the total trade volume in the region and Japan was in second place with 6.6 percent.

Of the total trade volume of the leading capitalist and developing countries in the region, intraregional economic ties accounted for 66.1 percent for Japan in 1970, 30.6 percent for Australia and New Zealand, 76.3 percent for Canada, 59.7 percent for the United States, 62.8 percent for the countries



of the Andean group, 65.4 percent for Southeast Asia and 60.2 percent for the Asian countries as a whole (excluding the USSR).<sup>12</sup>

The transformation of the Pacific Ocean into an integrating factor has been largely promoted by progress in the development of maritime transport and the lower cost of shipping goods by sea. At present, for example, it is cheaper to ship motor vehicles from Tokyo to San Francisco than from Detroit to San Francisco and it is cheaper to transport coal from the West Coast of the United States to Japan than from the West Coast to the East Coast. It has been calculated that the cost of shipping oil on a tanker with a water displacement of several tens of thousands of tons for a distance of 12,000 kilometers is approximately equal to the cost of transporting oil 2,500 kilometers by pipeline. The use of supertankers and other large-capacity vessels will reduce the cost of shipping raw materials and other materials even more.<sup>13</sup>

The constant use of communications satellites is reducing telephone costs in the Pacific, which were previously higher than in the Atlantic due to the greater length of cable lines; now a telephone call from Tokyo to Bogota costs the same as a call from Tokyo to Osaka.

The use of supersonic passenger planes can have a significant stimulating effect on the transport of passengers, mail and other freight in the Pacific region, since the economic effect of the use of supersonic planes increases in proportion to the length of the flight, and the psychological effect of their use in this region will be even more perceptible.

The simplification of communications is contributing to the development of mass tourism, which is becoming an important source of income for many Pacific countries and serves in general, particularly over the long range, as a means of achieving deeper mutual understanding between the peoples inhabiting this region.

The developed capitalist countries, particularly the United States and Japan, are attracted by the huge deposits of minerals discovered in the 1960's in Australia and Canada and by the traditional raw materials of the Southeast Asian countries. The Pacific Ocean itself is becoming the object of more and more intensive exploitation and a source of several exceedingly important types of food products and industrial and energy raw materials. According to available expert estimates, the shelves of the East Asian and Southeast Asian countries and Australia are the location of potentially rich oil and gas deposits, the development of which could make the Pacific region one of the world's largest producers of energy raw materials.<sup>14</sup> In recent years, the Pacific has become a region of more active prospecting and the working of minerals found on the ocean floor in ferromanganese concretions, the quantities of which are extremely substantial even according to minimum estimates.<sup>15</sup>

The current trends in international development are having a noticeable effect on the state of affairs in the Pacific. The process of global detente has created favorable preconditions for the peaceful and constructive development of the political situation in this region. But there is still a high level of tension in Asia and the Pacific, which largely determines the nature of the interrelations between the Pacific states.

In the political and strategic spheres, the United States' defeat in Indochina with its multitude of long-range consequences represents a multifaceted factor of regional and global significance. To a certain extent, this has signified the development of new military and strategic conditions in the region.

The defeat suffered by the United States in Indochina led to some revision in the structure of the American military presence in Asia and the Pacific and the withdrawal of some U.S. forces from a number of Asian countries in which these troops had been stationed. By the end of 1976, there were 133,000 American servicemen stationed in Asia and the Pacific. At the same time, the United States consolidated and modernized its Pacific fleet to reinforce the so-called island strategy.

The current U.S. Administration put an end to the reduction of American armed forces overseas and increased the number of American servicemen in the Pacific to 143,500.<sup>16</sup> The Carter Administration has announced its intention to withdraw American ground forces from South Korea over the next 5 years, but even this policy of limited reduction of the U.S. military presence in Korea is encountering resistance in Congress. In Southeast Asia, the United States has kept its military bases in the Philippines. The Philippine Government's attempts at a radical revision of the terms governing these bases, as the talks between the two nations indicated, were unsuccessful.

The political drawbacks of the presence of American troops in the Asian countries and the desire of the Asian states to conduct a more independent policy are casting doubts on the possibility that the United States will be using military installations in these countries for a long time to come. In connection with this, the United States has recently displayed more energy in establishing and reinforcing reserve military bases in Micronesia--on islands under U.S. administration.<sup>17</sup>

At the same time, research groups connected with the Pentagon began a more active search for new forms of American military presence in Asia and the Pacific as a long-term guarantee of the possibility for the effective use of military strength in U.S. interests. For example, J. Camp, researcher at the Fletcher School of Law and Diplomacy, said that, in view of the military and political vulnerability of bases located on the territory of other nations, emphasis should be placed on the construction of mobile, floating military bases which could be towed to any part of the ocean.<sup>18</sup>

The disintegration of the SEATO military bloc attested to stronger healthy tendencies in the international political development of Asia and the Pacific. The ASEAN (Association of Southeast Asian Nations) countries--Indonesia, Malaysia, Singapore, Taiwan and the Philippines--stressed in a declaration adopted at a conference in Bali in February 1976 that, "together and separately, they will strive to create favorable conditions for the establishment and developmental peaceful cooperation between states on the basis of mutual respect and mutual benefit." This declaration, which reflected the new state of affairs in the region, was reaffirmed at the second ASEAN conference in August 1977 in Kuala Lumpur. At the same time, reactionary forces are attempting to turn this organization into a military bloc.<sup>19</sup>

Military cooperation has become more active in recent years in the ANZUS military bloc (Australia, New Zealand and the United States). In October 1976, large-scale joint combat maneuvers were conducted by these nations.

In order to realize their own current foreign policy interests in the Pacific region, U.S. ruling circles have been quite concerned with playing their "Chinese card," mainly in relations with the Soviet Union. The anti-Soviet great-power course of Peking, which is now the chief opponent of the normalization of conditions in the region, represents a substantial negative element in international relations in Asia and the Pacific.

#### Prospects

The development of U.S. "post-Vietnam" policy in the Pacific has been influenced by the attempts of ruling circles in this nation, disturbed by the growing strenght of the socialist world, to consolidate the total positions of imperialism and to use any means to diminish the influence and role of the Soviet Union. It is indicative that the theoretical basis of U.S. "post-Vietnam" policy--the "Pacific Doctrine" of G. Ford--lacked any mention of the USSR as a Pacific country and any reference to policy in regard to the USSR in this region. Current Secretary of State Vance also virtually ignored the role and significance of the Soviet Union in the international political structure of the Pacific region when he spoke to the Asian Society on U.S. foreign policy in the Pacific on 29 June 1977.

The desire to create some kind of "community of developed capitalist states," a Pacific "super-economy," excluding the USSR from participation in it and giving the developing states of this region only a secondary or tertiary role, has been taken as the basis of present and future U.S. policy.

In particular, some American authors have pointed out tendencies toward the creation of an "energy quadrangle in the Pacific," which would include the United States, Japan, Australia and Indonesia.<sup>20</sup>

The attempts of certain groups in the United States to "isolate" the USSR from the developing economic ties in the Pacific are inconsistent with objective economic tendencies. The Soviet Far East is the neighbor of countries distinguished from it by the variety and volumes of their natural resources and the degree to which they have been developed. For example, Japan is experiencing an acute shortage of some raw materials which could be acquired from the Soviet Union. During the Tenth Five-Year Plan, Soviet industry will be oriented even more toward the East, toward new sources of raw materials and energy.<sup>21</sup> The construction of the Baykal-Amur Trunk Line will give the Trans-Eurasian container route (Japan--the USSR--Western Europe) even greater international significance.

Despite the efforts of reactionary forces, the development of Soviet-Japanese commercial relations is now particularly noteworthy from the standpoint of commercial cooperation between the capitalist and socialist countries in the Pacific.<sup>22</sup>

In the immediate and near future, it is probable that one of the characteristic features of the situation in the Pacific will be more intensive efforts by U.S. ruling circles to make use of the "Chinese factor" in relations with the Soviet Union. The ideas of American politicians and military leaders concerning the augmentation of Chinese military potential with U.S. assistance are capable of having a tangible negative effect on the situation in Asia and the Pacific.

The idea of selling China American weapons and establishing American-Chinese military ties has been repeatedly expressed in the United States in recent years.<sup>23</sup> In April 1976, J. Schlesinger, who was secretary of defense at that time, said that the idea of selling American weapons to China should not be rejected, and soon after this, E. Richardson, then secretary of commerce, confirmed the willingness of the United States to negotiate with the PRC on this matter.

In an article on this topic, prominent Sinologist A. D. Barnett pointed out the growing tendency in both nations toward concentration on "elements of parallelism" in military and political interests. In analyzing the possible prospects for establishing military ties between the United States and the PRC, he underscored the fact that this kind of cooperation would be in the interests of the global military strategy of the United States: It would contain the armed forces of the Soviet Union in the Far East and reduce the possibility of the renewal of military and political relations between China and the USSR. Moreover, according to Barnett, even limited American-Chinese military cooperation could slow down the Chinese development of intercontinental ballistic missiles, including missiles launched from submarines which could be aimed at targets in the United States itself. In examining the specific aspects of this kind of cooperation, the author considered the possibility of contacts between the war departments of the two countries, the exchange of intelligence and the transmission of plans and models of military equipment to Peking. Barnett noted the unpredictability of Chinese policy and, in particular, did not exclude the



possibility that the PRC could revert to a hostile policy in regard to the United States and its Asian allies. For this reason, he recommended that the administration "proceed with caution" in building up American-Chinese military ties "but not prevent the sale of weapons to China by the Western European allies of the United States and Japan."<sup>24</sup>

The problem of military cooperation between the United States and the PRC has already virtually gone beyond the limits of academic debates and has become one of the issues of current importance in American policy, which is attested to by a report recently compiled at the request of the administration. It contains a general statement about the danger of selling American weapons to the PRC. Nonetheless, as the NEW YORK TIMES reported, some "influential figures" involved in the preparation and compilation of this document definitely disagree with this conclusion and advocate the active use of the "Chinese trump card" in U.S. foreign policy, particularly in relations with the Soviet Union.<sup>25</sup>

When we examine the possible variations of international relations in the Pacific in the distant future, we cannot discount the possibility that a Peking-Tokyo "axis" may be created as a factor quite capable of having a destabilizing effect on the entire political structure of relations in the region. We only need to recall that, even prior to the establishment of Japanese-Chinese diplomatic relations in 1972, the Maoists were trying to involve Japan in its anti-Soviet policy. The head of a delegation from a Japanese research institute concerned with the international problems of the ocean said after a trip to the PRC in May 1977: "In China we were made quite well aware of the fact that they would like to have Japan as an ally."<sup>26</sup>

One basis for accelerated Chinese-Japanese rapprochement could be Peking's decision to involve Japanese companies in the broad-scale exploitation of China's natural resources. Economic ties with the PRC could appear particularly appealing to Japan if large and shallow deposits of petroleum were actually discovered on the continental shelf of the PRC. The liberalization of conditions for the activities of Japanese monopolies in China could serve as the payment for the political concessions Peking is trying to obtain from Tokyo in the talks concerning the conclusion of a "treaty on friendship and cooperation"--the inclusion of a statement in this treaty on counteractions against so-called "hegemony" on the part of a third nation, which will cause the treaty to transcend the framework of bilateral relations and will turn it into an instrument of confrontation with other countries. The political concessions Peking's leaders would like to gain from the Japanese Government are obvious: They are of an obviously anti-Soviet nature. Their acceptance in exchange for economic benefits would signify the quite apparent orientation of the new "axis" against the Soviet Union in the political sphere and would discourage the Japanese business community from developing cooperation with the USSR any further.

From the standpoint of U.S. interests, some American experts feel that the creation of this kind of "axis" would be a "lesser evil" for the United States than significant improvement in Soviet-Japanese relations. At hearings before the Committee on Foreign Affairs of the U.S. House of Representatives, R. Pfaltzgraff, director of the Institute of Foreign Policy Research (Philadelphia), announced that "the United States must do everything possible to prevent close cooperation between Japan and the Soviet Union at the expense of the United States and should strengthen Japanese-American cooperation as much as possible."<sup>27</sup>

Ruling circles in the United States are giving a great deal of consideration to the prospects for the development of American-Japanese relations. The "Ford Doctrine" spoke of the relations between the two countries as the basis of U.S. strategy in the Pacific. The current administration is also particularly concerned about the reinforcement of the American-Japanese alliance. The great significance attached to relations with Japan by U.S. leaders is attested to by the appointment of M. Mansfield, prominent American politician and former Democratic floor leader in the Senate, the U.S. ambassador to Japan in the summer of 1977.

It should be borne in mind that the idea of stronger bilateral relations in the region has also found support in the Japanese Government. In June 1976, TIME magazine printed a "Message to America" by former Prime Minister T. Miki, in which he underscored the particularly close interrelations between Japan and the United States and requested the United States to direct its efforts toward assisting the people of the Pacific to "realize their natural interdependence."<sup>28</sup>

Under the conditions of the economic depression of the last few years, this close U.S.-Japanese interdependence has aggravated relations between the two countries both in economic matters and in the international sphere. Pronounced differences of opinion between the United States and Japan have made themselves evident in the commercial sphere, in the issue of the use of atomic energy and in the positions occupied by Washington and Tokyo in regard to the developing countries. Japan's military potential is gradually growing, and so is its naval presence. In the future, this process could contribute to its determination to play a more active military and political role in this region. Famous American expert on international relations M. Kaplan has noted that the acquisition of nuclear weapons by Japan "will appear politically unprofitable for the next 5 years, improbable for the next 10 years and almost natural during the next 20 years, when the second postwar generation will assume power."<sup>29</sup>

Japan's foreign policy course in the Pacific region has become much more active during the post-Vietnam period. This is attested to, in particular, by the development of relations between Japan and the ASEAN countries. The opinion of R. Clough--prominent American expert on U.S. Asian policy--is noteworthy. He wrote that "as Japanese economic and political influence grows in East Asia, Japanese interests will differ from American interests with increasing frequency."<sup>30</sup>

Considering the present tendencies in American-Japanese relations, the possibility of a variation of a "quadripolar balance of power" in the more distant future cannot be excluded; according to bourgeois experts, this could result from a deterioration of American-Japanese relations that would not be accompanied by any perceptible development of Japan's relations with the USSR or the PRC. This developmental variant would presuppose the assignment of a more important role to the military and political factor in the Pacific region due to increased emphasis on the military component in Japanese foreign policy either as a result of the augmentation of conventional weapons or even as a result of the development of Japan's own strategic nuclear forces. It is obvious that this variant would have many negative consequences, the major one of which would be increased military tension in the Far East and in Southeast Asia as a result of the rebirth of Japanese militarism.

The situation on the Korean peninsula carries the potential threat of a new military conflict. Tension is generated in the region by the United States' attempts to retain South Korea as one of its support points in Northeast Asia and to perpetuate the division of this nation. But there is a real way of eliminating this seat of tension in the Pacific. The resolution of the 30th UN General Assembly Session, one of the co-authors of which was the Soviet Union, supported the steps taken by the DPRK Government to find a peaceful solution to the problem of national unification without any kind of outside intervention.

An analysis of some of the political and economic tendencies now apparent in the Pacific region provides grounds for the contention that the economic and political processes occurring in this region are characterized by substantial dynamism. Different regions of the Pacific which have historically been isolated from one another by the expanses of this ocean are becoming increasingly involved in the process of trade, economic, scientific and technical ties, the further development of which will require the consolidation of security in the region.

The United States, for which the outcome of the events in Indochina served as the major motive for the analysis of U.S. foreign and military policy, is displaying an appreciable interest in Pacific problems and prospects and is searching for new policy guidelines in the Pacific zone. One of the major conclusions of this analysis is that the actual capabilities of the United States do not now correspond to its global military and political ambitions.

At the same time, an examination of trends in U.S. foreign policy and the approaches taken by the United States to Pacific problems conveys the impression that the traditional schemes aimed at the realization of American hegemonistic ambitions in the postwar years have not been discarded, but have merely been carefully disguised.

The reduction of U.S. armed forces in the Pacific has led to attempts by the Pentagon to gain a stronger hold on existing military installations and to broaden the system of reserve bases in the region.

Despite the fact that the bloc policy has obviously been discredited, the United States has not abandoned its attempts to establish new military and political formations, made up, for example, of the Southeast Asian countries.

The "balance of power" theory, which is inconsistent with the ongoing process of stronger detente and the development of economic, scientific, technical and other forms of cooperation between various nations, is still the basis of U.S. practical policy in regard to the largest states in the Pacific, especially the Soviet Union.

In spite of the complexity of the situation in the Pacific, the positive changes in world affairs have affected political life in this region as well. The cardinal changes in Indochina have become an important contribution to the consolidation of peace in the region. The unified Socialist Republic of Vietnam represents a significant factor of international stability. Along with the Lao People's Democratic Republic, it plays a significant role in the region.

The Soviet Union, as a Pacific power, consistently advocates the safeguarding of lasting peace in Asia and the Pacific. In an interview conducted by S. Hata, editor-in-chief of the Japanese newspaper ASAHI SHIMBUN, General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev said: "We feel that when detente becomes the dominant tendency in world development it should not bypass the Asian continent, where more than half of mankind lives."<sup>31</sup>

The inclusion of the Pacific countries in the process of detente will be of great significance for the fate of world peace and international cooperation.

#### FOOTNOTES

1. "America's Future in the Pacific," New Brunswick, 1947, p 24.
2. R. Scalapino, "Asia and the Road Ahead. Issues for the Major Powers," Berkeley, 1975, p 280.
3. H. Kahn, "The Emerging Japanese Superstate," Englewood Cliffs, 1970.
4. "Prospects in the Pacific," Ed. with Introduction by R. Walker, Wash., 1972, p 1.
5. See V. P. Lukin, "Some Aspects of the American Approach to Asia," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 5, 1976, pp 36-49.



6. In his speech in Honolulu, G. Ford noted: "The center of political power in the United States has moved to the West. Our Pacific interests and concerns have grown" (WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, 15 December 1975, p 1335).
7. When we assess the causes and factors leading to the declaration of the new "Pacific Doctrine," we must agree with the views of a group of Soviet writers: "An important role in the birth of the new doctrine was played by the assessment of the current process of international detente by U.S. ruling circles. The great successes achieved by Soviet diplomacy in regard to a number of issues, particularly issues concerning European security, and the pressure exerted in this connection by right-wing political groups caused some members of the administration to resolve to 'compensate' for these achievements by emphasizing American assets (real or imaginary) in those regions where the victory of the patriotic forces of Indochina had placed the United States in a difficult position. The Pacific region appeared to Washington to be the best place for this kind of demonstration of the United States' determination to defend its global positions, both because of the exceptional importance of this region and because of the fact that several circumstances, primarily some of the characteristics of the local balance of power, provide Washington with definite opportunities for maneuvering" ("Politika SSHA v Azii" [United States Policy in Asia], Moscow, 1977, p 27).
8. See N. D. Turkatenko, "The Sources and Goals of 'Trilateral Strategy,'" SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 9, 1977, pp 31-42.
9. More than half of the world's population lives in nations bordering on the Pacific Ocean, and the total gross national product of some of the largest of these countries--the United States, the USSR, Japan, Canada and China--makes up more than half of the total world GNP (R. Cline, "World Power Assessment," Wash., 1975, pp 17, 149-151).
10. V. B. Yakubovskiy, "Tendencies Toward the Formation of a Pacific Economic Complex and the Development of Economic Ties Between the USSR and Nations in the Region," "Problemy izucheniya Avstralii i Okeanii" [Problems in the Study of Australia and Oceania], Moscow, 1976, p 61.
11. OVERSEAS BUSINESS REPORTS, WORLD TRADE OUTLOOK FOR THE FAR EAST AND SOUTH ASIA, September 1977, p 4.
12. "Technology Transfer in Pacific Economic Development," Papers and Proceedings of the Sixth Pacific Trade and Development Conference, Tokyo, 1975, pp 5, 13.
13. ORBIS, Fall 1975, p 795.
14. "Problemy izucheniya Avstralii i Okeanii," p 63.

15. See V. D. Pisarev, "SShA i Mirovoy okean. Ekonomiko-politicheskiye tendentsii osvoyeniya" [The United States and the World Ocean. Economic and Political Tendencies in Its Development], Moscow, 1977, pp 140-168; R. Wenkam, "The Theft of the Pacific Ocean" (translated from the English), Moscow, 1977, pp 110-133.
16. U.S. NEWS AND WORLD REPORT, 2 January 1978, pp 48-49.
17. During the 1972-1977 period, American leaders took steps to annex the Mariana Islands and reinforce U.S. military positions in Micronesia. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 8, 1977, pp 21-32.
18. THE NEW YORK TIMES, 25 January 1976.
19. In November 1976, the question of a possible military alliance within the ASEAN framework was raised by a group of American congressmen visiting Jakarta. The idea of the militarization of this bloc is shared by certain groups in the nations making up this organization. Practical steps are also being taken in this direction. The armed forces of Malaysia, Indonesia, Thailand and Singapore have conducted joint maneuvers, are instituting measures for the standardization of weapons and the unification of efforts in the struggle against the so-called "communist threat" and are studying the possibility of the joint construction of defense enterprises.
20. R. Ichord, Jr., "Pacific Basin Energy Development and U.S. Foreign Policy," ORBIS, Winter 1977, No 4, p 1042.
21. See "Materialy XXV s'yezda KPSS" [Materials of the 25th CPSU Congress], Moscow, 1976, pp 149-152.
22. Japan is one of the USSR's three largest trading partners in the capitalist world. During the postwar history of Soviet-Japanese commercial relations, three 5-year agreements have been signed, serving to reinforce the legal-contractual basis of these relations. Whereas commodity turnover between the USSR and Japan amounted to 3.5 billion dollars in the 1966-1970 period and 8 billion in 1971-1975, the figure is to rise to 13-14 billion in accordance with the third Soviet-Japanese agreement on commodity turnover and payments for 1976-1980 (IZVESTIYA, 2 June 1977). And--what is of equal importance--there will also be qualitative development of the economic relations between the USSR and Japan, taking the form of large-scale and long-term agreements on cooperation, including cooperation on a compensatory basis.
23. One of the first to raise this question was Rand Corporation research associate M. Pillsbury (M. Pillsbury, "U.S.-China Military Ties," FOREIGN POLICY, Fall 1975).
24. A. D. Barnett, "Military-Security Relations Between China and the United States," FOREIGN AFFAIRS, April 1977, pp 584-597.

25. THE NEW YORK TIMES, 24 June 1977.
26. IZVESTIYA, 21 June 1977.
27. "Oil and Asian Rivals," Hearings Before the Subcommittee on Asian and Pacific Affairs, Committee on Foreign Affairs, House of Representatives, Wash., 1974, p 135.
28. TIME, 14 June 1976, p 33.
29. "SALT: Problems and Prospects," Ed. by M. Kaplan, N. Y., 1973, pp 23-25.
30. R. Clough, "East Asia and U.S. Security," Wash., 1975, p 91.
31. PRAVDA, 7 June 1977.

8588

CSO: 1803

## LOCAL ISSUES IN THE POLITICAL STRUGGLE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 27-36

[Article by O. E. Tuganova]

[Text] Large nationwide democratic movements are generally accompanied by political ferment and increased political activity "on the local level." The local movement is capable of retaining social and political force and its own organizational form even if the large nationwide democratic movements should die down for some reason. Sometimes it not only repeats the ideas and organizational forms of the large nationwide democratic movements but is also capable of giving birth to new ideas and organizational forms which far transcend the boundaries of territorial communities,<sup>1</sup> districts and even states. This is true of the current movement on the local level, on the grass-roots level--the grass roots, the very soil and subsoil which produced original theories and organizational forms of activity in the 1970's. The local movement was one of the factors which gave birth at the end of the last century to the "muckrakers," who searched out social evils and castigated them.

"Grass roots" is a popular expression in the American political lexicon; incidentally, it does not only give birth to democratic strivings. Theories and political actions of rightist leanings are quite well-known: the reactionary "back-to-the-soil movement" and social demagoguery based on the vindication of the prejudices and pretensions of the narrow-minded local inhabitant--he is represented as a "common man" from "our part of the country," ostensibly an ideal figure. Just recently, the idea of the "new federalism" proclaimed during the presidential term of Nixon, who was trying to achieve flexible decentralization for the more efficient functioning of the huge civil service system, was close to the sentiments expressed precisely by conservative political forces "in the heartland."

On the local level, just as on the "macrolevel," in "big politics," battles erupt between democratic forces and retrograde forces which either make no attempts to steer clear of overtly conservative trappings or--and this is becoming more and more frequent--resort to demagogic phraseology. During



15 years--from the mid-1950's to the beginning of the 1970's--large nationwide movements developed in the U.S. political arena: the civil rights movement, the fight against segregation and the antiwar movement. Even under these conditions, however, actions on the local level were of great significance: A struggle for the right of blacks to enter a cafeteria somewhere in a small Southern town would sometimes have nationwide repercussions; battles against nuclear weapons and "antiatomic studies" were sometimes begun by small groups of Americans, and they deliberately chose the "house-to-house" form of activity.

In recent years, the process of the alienation of the capitalist society's top-level managers from the general public has taken particularly distinct and distorted forms in the United States. "Bank control over the industrial complex and the development of conglomerates and multinational corporations have led to a situation in which the centers for the management of economic life are even less visible and accessible than ever before. Because of this, they are responding less and less to the needs of the public and the nation and are paying less and less attention to them. This gives rise to new forms of alienation and to a new level of parasitism,"<sup>2</sup> said Gus Hall at the 21st Congress of the Communist Party of the United States of America.

Naturally, these processes have evoked a reciprocal reaction from the public and public opinion. The American people are taking a greater interest in problems in economic, social and political management and are striving to effectively "force their way" into these processes and to determine the fate of their own city or district and even the entire nation by means of their ideas and positive actions.

The movement against unemployment and inflation, the movement for a reassessment of national priorities in favor of social goals with a cut in defense expenditures and the struggle against racial discrimination and political repression have developed on the nationwide and local levels. It is precisely on the local level that the movement against inflation and unemployment can sometimes unite all democratic currents.

The 1970's in the United States have been marked by a decline in the influence of technocratic ideas--which was inevitable in view of the prolonged economic crisis--and a simultaneous decline in the influence of the anarchic-nihilistic and ultra-leftist extremist currents that greatly harmed the democratic movement and caused a crisis in the "new left opposition" not long ago. At present, a more intensive search is going on for positive programs of socioeconomic reform and new organizational forms of democratic political action; in addition to all this, there has been a change in the political spectrum of the democratic movement. It has become broader and more diversified, which is probably particularly apparent on the local level.

There has been a revival of leftist populism<sup>3</sup> (just as of rightist populism, the strains of which, clothed in shameless social demagoguery, are characteristic of the programs of, for example, G. Wallace). There has also been a

revival of the leftist socialist current along with an upsurge in the leftist liberal and liberal-radical currents, which was already particularly noticeable in the second half of the 1960's. The socialist group has experienced a period of intensive political redefinition: Its right wing has merged with the labor bosses of the AFL-CIO and its left wing has rallied round the Democratic Socialist Organizational Committee. For the leftist liberals, the program proposed by G. McGovern is typical. The liberal-radical current, which has extremely close interconnections with the leftist socialists and the leftist populists, is mostly made up of former ideologists and activists of the civil rights movement, the antiwar movement and the "new left opposition." In general, many of those participating in the present political struggle on the local level are the same people who were the leaders and activists in all of these movements prior to the beginning of the 1970's.<sup>4</sup>

One of the distinctive features of current local movements is the greater concern for broader self-government, participation by the workers in production management, the development of government and public control and so forth. Characteristically, the local movement sometimes tries to create its own model of desirable socioeconomic reforms on the "microlevel." All of this is expressed in the demand for "democratic participation," which is supposed to give each American citizen an opportunity to effectively influence the resolution of important social and governmental problems by means of his own direct participation.

It should be noted that participants in local movements sometimes radically reassess their own ability to "cure" the nation's ills (this will be demonstrated below). Besides this, decentralization and municipal autonomy can have different meanings; they can degenerate into the kind of "back-to-the-land movement" that will pave the way for right-wing influences. But we cannot ignore the actual processes that are characteristic of American political life today.

Naturally, the local movement has the primary goal of defending the interests of the local population. The participants in the movement gather information on income distribution, on the policies of banks and other financial institutions, on the operations of industrial enterprises and on their owners--corporations "present" or "absent" in the given district. They determine levels of environmental pollution, the condition of transportation, education and public health services, price levels, the quality of foodstocks, etc. Campaigns are organized with the proper slogans on the basis of the accumulated data and public demand.

The organizational level of the movement almost always grows beyond the boundaries of separate campaigns. Public organizations spring up to defend the economic, social and cultural interests of the population in local communities and large cities and, sometimes, on the statewide scale. For example, the Citizen's Action Program in Chicago and the Arkansas Community Organization for Reform are public organizations of this type.

The Citizen's Action Program in Chicago is supported mainly by workers--white and predominantly Catholic. Some of its activity has been successful. For example, it has been instrumental in the institution of measures to reduce pollution, revise tax assessments and cancel the construction of a railway which was planned to run through Chicago's northwestern and southwestern neighborhoods, inhabited mainly by low-income families. The organization conducts campaigns against banks and savings institutions which collect deposits from the working population and then refuse to loan money to local communities with a poor population and invest in the development of prosperous suburbs. The same organization has demanded price stabilization, bigger school budgets and public utility benefits for senior citizens. It has opposed the construction of enterprises connected with the use of nuclear power in Chicago, has demanded a reduction in the noise level of aircraft, etc.

When the Citizen's Action Program began its activity, it declined to participate in election campaigns. Later it revised its tactics and became involved in one campaign to remove incompetent judges from office.<sup>5</sup> The organization was able to win a number of victories in confrontations with the political machine of former Chicago Mayor Daley.<sup>6</sup>

The leaders of the Citizen's Action Program avoid ideological debate--some out of the fear of breaking up the organization and others out of the naive conviction that if people want something they will be able to find the correct way of attaining it with "no need" for ideology. The "common people," according to the supporters of this theory, should unite and defend their own interests without falling into the "ideological trap." As these associations gain strength, they will supposedly form coalitions with other groups to defend "specific interests" and will be able to set themselves more expansive goals. Social changes on the nationwide scale will be achieved when "enough" local groups unite in a coalition to attain nationwide goals "in the interests of all." A progressive national program can be based on the ideal of a better, "more fitting life."

These ideas contain elements of social reformism and social utopianism. But it is a positive sign that the Citizen's Action Program has been able to reach the poorest groups of the population and the workers and has been able to mobilize the population for campaigns which primarily defend the interests of the workers.

The Arkansas Community Organization for Reform functions in Arkansas communities with a high concentration of low-income population groups. The ACOR is fighting for tax reform and rent ceilings, is demanding the protection and purification of the environment and so forth. The Arkansas organization has been in existence since the beginning of the 1970's and has become a significant force in a state which is, in general, politically inactive. In 1975, it was made up of approximately 5,000 families, around 60 percent white and 40 percent black. Most of the members are people with low incomes (approximately 70 percent of Arkansas' population falls into this category).



The ACOR has also had some success. In particular, a campaign it organized led to emission controls in a large electric power station operating on coal; the organization was also instrumental in lowering the rates charged by gas companies. Candidates supported by the ACOR were elected to municipal posts, school councils and almost half the seats in the legislative assembly of Pulaski County.<sup>8</sup>

Institutions have taken shape on the community level, the purpose of which is evident from their name--"Community Development Corporations." By the beginning of 1972, such corporations were established in approximately 100 communities--mainly in black ghettos and poor rural regions. These corporations have demanded the controlling rights in some of the economic enterprises located in the community or even a transfer of ownership. The profits of these enterprises are supposed to be used in the public interest. Some corporations have gained control over plants and on some Indian reservations they have acquired recreational and tourist facilities. Many of the corporations are set up as cooperatives while others are nothing more than ordinary joint-stock companies but are completely owned by small shareholders.<sup>9</sup>

This is where the weak side of the movement for social and economic development on the local level is most apparent. The participants in this movement desire "direct action" against the corporate powers, but they themselves are preserving--to an extremely great extent, even though not exclusively--the private-enterprise basis of their activity. Besides this, their small enterprises, just as their small cooperatives, can only exist until that time when they constitute a serious threat to the powerful "present" or "absent" monopolies. The outcome of any serious confrontation is almost always predetermined. At the same time, it must be borne in mind that the movement on the local level--just as any other democratic movement--is not at all powerless; it is capable of making certain changes and modifications and of sometimes forcing corporations and authorities to make concessions.

Therefore, the situation is complex and contradictory.

It is extremely important that a relationship is taking shape between the struggle of the workers in the production sphere and their activity at home. American publications have pointed out the fact that local campaigns frequently coincide with production strikes and that these actions reinforce one another.<sup>10</sup> It is also important that the black population is becoming involved in this activity and is working with the whites. "The Coalition of Black Trade Unionists," which was founded in 1973, frankly stated that one of its purposes was to assist organizations of poor people in the black communities and to establish mutual understanding between the organized labor movement and the black community.<sup>11</sup>

The lack of a strong economic basis unavoidably strictly limits opportunities for improvement in educational and cultural activities and this occupies an important place in the plans of participants in the social movement on the local level. This movement is striving for educational reform and changes



in the content and purpose of the work of the press, radio and television--that is, all of the powerful media for exerting indoctrinational, propagandistic and ideological pressure on the population. Steps have been taken in the local movement against the inferiority of "mass culture"--steps which are intended to guarantee good public health and education services for all. This is also connected with the protection of the interests of women, mothers and racial and ethnic minorities and the support of the labor movement.

Cultural and educational activity takes the form of the creation of "community funds," which have sprung up in a few small cities--primarily college towns. At the beginning of 1973, such funds existed in Madison (Wisconsin), Ithaca (New York), East Lansing (Michigan) and Champaign-Urbana (Illinois).<sup>12</sup> To a large extent, the activities of these funds are financed by cooperatives; they also receive donations and interest-free loans from private citizens. The money is used for the maintenance of educational and cultural organizations and free schools, for the payment of stipends to poor students and so forth.

The activities of the fund in Madison are indicative. This is evidently the most active fund, judging by reports in the American press. Its declared principles are anticapitalism, antiracism, "antisexism" and "political action." Members of the fund must agree with its political principles; they are obligated to occupy themselves with the political education of the public. The fund in Madison owns cooperative book and bicycle stores, a printing press, a photography studio, a pharmacy, residential buildings, an arts and crafts workshop and a grocery store. The fund contributes to the support of free clinics, newspapers, schools, women's counseling centers and student scholarships. It has financed the founding of the "Independent Wisconsin News Department" and a street theater, has given material support to trade unions and has collected funds for medical assistance for Indochina.<sup>13</sup>

These funds first became established in college towns, but there are now also some in regions primarily inhabited by workers.<sup>14</sup>

The cooperatives, as the foregoing indicates, depend largely on the "support" of private and, naturally, wealthy individuals. Nonetheless, the examples cited above testify that this does not determine the nature of the social movement on the local level. The principles of anticapitalism, antiracism and political action cannot be regarded as slogans used to divert the masses from their struggle against exploitation and oppression by the state-monopolistic machine. The opposite is closer to the truth. They testify to a resolute desire to take an active hand in social relations and to ultimately change them.

The social movement on the local level and its ideas in regard to local problems have served as the impetus for the composition and congressional submission of several important bills (which will be discussed below). There is an extremely tangible connection between this movement and investigative theoretical and political thinking in the United States.

The issue of self-government was the subject, for example, of a conference called "People for Self-Government," which was held in January 1974 at the Massachusetts Institute of Technology. It was attended by representatives of labor unions and cooperatives, teachers, students, junior administrators, etc. The conference discussed the problem in the development of worker control in production and self-government in the community. In June 1975, a national conference was held in Madison, which proclaimed the goal of finding new alternatives in national and local policy. In particular, the problem of giving states and cities more power in local economic control was discussed. Populist ideals were set as the goal.<sup>15</sup>

The idea of decentralization and stronger municipal self-government has been raised in many works of a theoretical nature published in the 1970's. For example, it was advanced in F. Harris' democratic-populist book "Now Is the Time. A New Populist Call to Action."<sup>16</sup>

Articles proposing possible socioeconomic reforms are constantly printed in the magazine WORKING PAPERS FOR A NEW SOCIETY. J. Case, the magazine's editor, advanced the idea of self-government in production by the workers combined with self-government on the level of the community.<sup>17</sup> He proposed that a "bill of rights" be adopted in the production sphere, the enforcement of which should be totally under worker control.<sup>18</sup> In proposing these reforms, Case remarks: "I have no illusions about the great difficulty involved in instituting or implementing any such program. But there is no question that reformists have thought small for too long. They have paid for this by alienating the working class.... Large-scale political programs...can mark the beginning of the realization that nothing will stay the same. But the abuse of economic power can become the best teacher, particularly in hard times."<sup>19</sup>

WORKING PAPERS FOR A NEW SOCIETY has also printed articles on land reform. For example, an article by J. Faux--co-director of The Exploratory Project for Economic Alternatives at Cambridge University [Harvard] (Massachusetts)--proposes extensive rights in the ownership of land and its use be turned over to institutions specially founded for this purpose, maximally decentralized and under public control--primarily under the control of communities or "small producers." The present "community development corporations" are recommended as institutions of this type. An important role is assigned to cooperatives. just as Case, speaks of the possibility of a transfer to "worker ownership" in such branches of industry as coal, petroleum and electric power engineering. All of these measures, according to the authors of such publications, will require the establishment of institutions for financial and technical assistance (including land banks), which can ultimately become public property or at least be put under some kind of public control.

Therefore, in these ideas about decentralization and broader municipal self-government, the problem is not reduced merely to the reinforcement of the positions of the small owner or small cooperative owner; reference is

also made to the socialization<sup>20</sup> of some large branches of industry. Because of the severe economic crisis of the 1970's, the demand for the commencement of a socialization process in the national economy has begun to acquire more and more supporters in the labor movement and in other democratic currents and has been increasingly supported by public opinion and the theories of sociologists and economists.

The proposal of a "bill of economic rights" is quite important and indicative of the present level of demands in the general democratic movement. This is not the first time this demand has been made. Communists and representatives of progressive labor unions have always spoken of the need for guaranteed social and economic rights. In the 1970's, at this time of economic crisis and acute social conflicts, the demand for guaranteed social and economic rights is particularly pronounced. Such demands have the purpose of giving specific meaning and material and economic reinforcement to the formal bourgeois rights and freedoms.

J. Case has repeatedly referred to the "bill of economic rights" in *WORKING PAPERS FOR A NEW SOCIETY*. M. Wayne, member of the magazine editorial board, proposed that a law be passed on economic rights and defined these rights as the following: guaranteed employment; a just wage-setting procedure; "protection against economic disasters"--not only social security and unemployment compensation, but also guaranteed job and wage retention; the provision of a livelihood to those who are unable to work.<sup>21</sup> In his book "The Working Class Majority," A. Levison says that political democracy in America should be supplemented by "economic democracy."<sup>22</sup>

Some of the plans for the expansion of municipal autonomy and the establishment of worker control in production are connected with proposals of cuts in defense expenditures and reconversion of the defense industry. This kind of plan has been worked out by D. Shearer, one of the editors of *RAMPARTS* magazine.<sup>23</sup> The basic idea behind his plan consists in the reduction of defense expenditures and the simultaneous establishment of community control over economic development (including control through "development corporations"), as well as the simultaneous creation of public agencies to deal with production issues on the state, district and national level. Plants put under the control of production administrations should be managed with participation or control by the workers. Shearer feels it is necessary to use the new act on economic development as a basis for an effective system for assisting the "development corporations" and cooperatives (loans, technical assistance and so forth) in taking over and utilizing former defense establishments and military equipment.<sup>24</sup>

The supporters of broader municipal autonomy have been able to partially "push through" some of their ideas in bills submitted to Congress. This was the case, for example, with the bill on the creation of the National Community Development Banking System, submitted by Senators E. Kennedy and J. Javits and composed by the Center for the Economic Development of Communities--a Cambridge organization working in close contact with the "development corporations." This was also the case with the Neighborhood



Government Act of 1975, submitted by Senator M. Hatfield, and the National Health Rights and Community Service Act, which was worked out by Congressman R. Dellums in conjunction with groups concerned with the improvement of public health services.

This was essentially also the case with the bill on the creation of the National Cooperative Development Bank, worked out by the leader of the consumer protection movement, R. Nader, and the U.S. cooperative movement. The Equal Opportunity and Full Employment Act, submitted in 1975 by Congressman A. Hawkins and Senator H. Humphrey, originally contained statements concerning extensive community rights and powers, but after the bill was amended during the course of its discussion in Congress, the powers of community agencies were radically restricted; the point concerning racial representation in community agencies was also deleted.

In general, these bills have met with considerable resistance during their passage in Congress,<sup>25</sup> and this attests to the fact that the top levels of government and, in particular, conservative groups see a definite danger in them. But political groups with a more sober outlook realize that excessive concentration of authority has not led to the stability of the system and wish to find certain means, with the aid of which, in their opinion, economic and social contradictions in the public and governmental organism can be smoothed out somewhat.

The plans discussed above are frequently characterized by carelessness--and this is typical of populism--in determining fundamental theoretical and conceptual bases. This was best exemplified in D. Shearer's comment concerning bills which had been submitted to Congress and were intended to limit the power and authority of the monopolies: "The question of whether this system should be called 'socialism' or 'capitalism' is not that important; the important thing is something else: Will all of its pores be filled with democracy."<sup>26</sup>

The experience of the worldwide socialist system is usually not taken into account or is even repudiated in theories of this kind. This is one of the characteristics of, for example, a book by St. Lynd and G. Alperovitz--"Strategy and Program: Two Essays Toward a New American Socialism." St. Lynd, who was once one of the leaders of the antiwar movement and the fight against segregation, began working in the 1970's on a history of the labor movement and is also doing social work with community organizations in South Chicago and the northern part of Indiana. G. Alperovitz is a researcher at the Institute for Policy Studies in Washington. In this book, both authors declare that they believe it is possible to create a "democratic and socialist society" in the United States, in which the public will "participate in decision-making" and "authority will be decentralized."<sup>27</sup> Despite all of the differences in their approaches, Lynd and Alperovitz agree that, in the future socialist society, decentralization will begin promoting the unification of the labor movement with the movement



expressing community interests. Alperovitz proposes his own model of "decentralized socialism" on three levels: the community, the economic region (this is the major link) and the confederation. This model envisages the development of public ownership, more extensive community rights and powers, and production control by the workers. By completely disregarding the experience of the socialist countries, however, the authors have deprived this idea of a solid basis and have given it a speculative nature.

To a certain degree, the movement for decentralization and self-government reflects the interests of the small property owner; his democratic rights are limited and inconsistent. Most of his ideas cannot be implemented in the capitalist society. But it is not only the small owner who constitute the basis and determines the interests of this movement. Workers, labor unions, the intelligentsia, white-collar workers, farmers and ethnic minorities are being drawn into political life. In many cases, the white and black population work together on the local level in the struggle for their interests.

Besides this, the democratic movement on the local level is not of a narrow provincial nature: This is confirmed by its direct links with the ideas of leftist theoretical and political thought in the United States. Many of the ideas and demands advanced by the local movement and theories connected with local problems are such that they can become part of the program of the antimonopolistic democratic movement.

Judging by all indications, the social movement on the local level and social thought connected with local problems, despite all of their weak points, now represent a prominent part of public life in the United States.

#### FOOTNOTES

1. The community was once interpreted as an "association" but it is now more accurately translated as a "locality" or "local body" ("Amerikanskaya sotsiologiya. Perspektivy. Problemy. Metody" [American Sociology: Prospects, Problems and Methods], Moscow, 1972).
2. G. Hall, "The Crisis of U.S. Capitalism and the Fight Back," New York, 1975, p 39.
3. Populism began with a movement of farmers, workers, socialists, bourgeois liberals and radicals at the end of the 19th century, during the period of the transition from free-competition capitalism to monopolistic capitalism. Populism has a distinct antitrust and anti-monopoly tradition, a tradition of defending the small businessman, the farmer, the "little man"; it emphasizes close ties with the "native soil" and the "native community."

4. Milton Kotler, national coordinator of the Alliance for Neighborhood Government and resident fellow of the Institute for Policy Studies in Washington, writes in his article "New Life for American Politics" that the antiwar movement gave birth to an entire generation of leaders of "direct action," who later moved on to the movements for environmental and consumer protection and even to the movement for the organization of "neighborhood action" groups (THE NATION, 30 October 1976, p 430).
5. THE NATION, 21 September 1974, pp 239-242; WORKING PAPERS FOR A NEW SOCIETY, Summer 1975, pp 32-36.
6. THE NATION, 10 September 1973, p 215.
7. Ibid., 21 September 1974, pp 241-243.
8. WORKING PAPERS FOR A NEW SOCIETY, Summer 1975, p 15.
9. THE NATION, 14 February 1972, p 204-205; WORKING PAPERS FOR A NEW SOCIETY, Summer 1973, p 40; Winter 1975, p 71.
10. "The World of the Blue Collar Worker," Ed. by I Howe, New York, 1972.
11. S. Plastrik, "Coalition of Black Trade Unionists," DISSENT, Winter 1973, p 12.
12. WIN, 15 January 1973, p 14.
13. NEW REPUBLIC, 27 October 1973, p 21; WIN, 15 January 1973, p 14 et passim.
14. WORKING PAPERS FOR A NEW SOCIETY, Fall 1975, p 74.
15. Ibid., p 8. The conference was attended by some of the former leaders of the antiwar movement: Tom Hayden, Sam Brown (who was appointed Colorado State treasurer in 1975), Lee Webb and John Froines (who held government office in the State of Vermont in 1975) and, finally, Paul Soglin, the mayor of Madison, who has been named the "red mayor" by the press. The conference was attended by several judges, one senator from Nebraska, members of the legislative assemblies of the states of Michigan, Vermont and Florida and members of the municipal councils of Chicago, Cleveland, Washington, Champaign-Urbana (Illinois), Montpelier (Vermont) and Madison. All of them called themselves "radicals," "populists" or "activists."
16. F. Harris, "Now Is the Time. A New Populist Call to Action," New York, 1971. This book was reviewed in SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1973.

17. J. Case, "Vision of a New Social Order," NATION, 14 February 1972, pp 205-206.
18. WORKING PAPERS FOR A NEW SOCIETY, Winter 1975, p 62.
19. Ibid., p 63. An article proposing the establishment of state-owned economic institutions is also of interest. Its authors are the same J. Case, D. Shearer (one of the editors of WORKING PAPERS) and L. Goldberg—university professor in San Francisco. Shearer and Goldberg were once consultants to the California Department of Economic Development (WORKING PAPERS FOR A NEW SOCIETY, Spring 1976, pp 67-75).
20. We are using the term "socialization" because the Soviet reader is accustomed to associating the terms "nationalization" with the concept of "state appropriation." In American scientific works and general publications, however, "socialization" implies various forms of ownership and use and does not refer only to state property.
21. WORKING PAPERS FOR A NEW SOCIETY, Winter 1975, p 70.
22. A. Levison, "The Working Class Majority," New York, 1974.
23. RAMPARTS no longer exists; the magazine SEVEN DAYS took its place in February 1977.
24. D. Shearer, "Swords Into Ploughshares," WORKING PAPERS FOR A NEW SOCIETY, Summer 1973, pp 52-60.
25. The fate of these bills deserves separate analysis.
26. D. Shearer, "Dreams and Schemes: A Catalog of Proposals," WORKING PAPERS FOR A NEW SOCIETY, Fall 1975, p 45.
27. St. Lynd and G. Alperovitz, "Strategy and Program: Two Essays Toward a New American Socialism," Boston, 1973, p IX.

8588

CSO: 1803

## **CHARLES STEINMETZ, FRIEND OF THE SOVIET UNION**

**Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 37-47**

**[Article by Sender Garlin]**

**[Summary] Charles Proteus Steinmetz, one of the most prominent electrical engineers of his time, was a loyal friend of the Soviet Union from the first years of its existence. He was born in Germany in 1865. He later had to abandon his native land when his socialist activities brought him to the attention of German authorities. He moved to Switzerland and later settled in the United States.**

**Steinmetz was responsible for many great discoveries in electrical engineering. He made important contributions to the study of alternating current and produced artificial lighting. For many years, he worked as a consulting engineer for the General Electric Company. Although his inventions did not become as widely known as the inventions of Thomas Edison, he took out over 100 patents for improvements in electrical equipment and solved hundreds of problems which had been puzzling engineers for years. It is generally accepted that the development of American electrical engineering in the first 20 years of the 20th century was made possible by Steinmetz.**

**Despite his "unorthodox" radical political views, Steinmetz was extremely popular as a lecturer. He lectured to scientific societies and the general public on his social ideals, acquired as a result of his study of the works of Marx and Engels. He took an extreme interest in the birth and first steps of Soviet Russia. In 1922 he wrote a letter to V. I. Lenin, offering his assistance in the electrification of the new nation. He would continue to take a constant and profound interest in Soviet Russia until his death in 1923.**

**8588**

**CSG: 1803**



## PRESIDENTIAL MESSAGES TO CONGRESS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 48-53

[Article by Yu. I. Bobrakov]

[Text] The traditional messages sent to the Congress by the U.S. President in January always attract the attention of the American public. This time they were awaited with particular interest. And this was not only because they were essentially a summation of the first year in office (after an interval of 8 years) of a Democratic administration. The messages were being viewed in the context of the entire economic situation of the past year, which was characterized by insufficient economic growth after the crisis of 1973-1975 and the other severe economic difficulties following this crisis, the maintenance of a high rate of unemployment and inflation, new complications in the foreign economic sphere and the weakening of the dollar's position. All of this created general uncertainty and doubts about the lasting power of the current tendencies toward economic improvement. These doubts were reinforced by the fact that even the end of the year was marked by the deterioration of economic conditions. A poll of experts conducted in November 1977 by the National Economic Association indicated that 70 percent felt that rates of economic growth would decline in 1978-1979 and that even a new "recession" was possible.

How do the presidential messages look in this context and to what degree do the measures proposed in them correspond to the complexity of the present state of affairs?

When he spoke in Congress on 19 January 1978 and presented his State of the Union Message, President J. Carter called 1977 "a good year for the United States." This, in his words, is attested to by such statistics as the creation of 4.1 million new jobs ("a record achievement in our history"), the reduction of the number of unemployed workers by almost 1 million, the reduction of the rate of inflation and the "not bad growth of business profits and capital investments, which are a source of new jobs."

It is true that tendencies toward improvement continue to be apparent in the U.S. economy in 1977; this is consistent with the usual post-crisis dynamics of the cycle. But something that was unusual, but characteristic of the 1970's, was the slow and irregular post-crisis revival of economic activity and the simultaneous maintenance of high rates of unemployment and inflation and low rates of increase in capital investments--the combination of all this threatens new complications in subsequent stages of the cycle. The general situation is still quite unstable.

In his economic report to Congress, the President said: "The recession of 1974-1975 was the most severe of the last 40 years, and the considerable production growth of the last 3 years has still not led to the complete use of production capacities.... We cannot rest on our laurels when almost 6.5 million people who are actively looking for jobs cannot find them, when 3.25 million are working part-time because they cannot find full-time jobs and when 1 million have stopped looking for work because they have lost all hope of finding it.... The unemployment rate in ethnic minorities is more than double the rate of whites, and unemployment among young members of ethnic minorities has reached genuinely tragic scales. Women have less opportunity to find satisfying work than men, and older Americans often find that they simply have no access to the job market. The income of farmers has dropped dramatically." The report also pointed out the existence of an inflation problem, which "is evoking serious worries in all Americans," the energy difficulties of the United States and the other capitalist countries and the slow growth of capital investments. Besides this, there has been a lengthy slump in the stock market.

J. Carter proposed long-range goals toward which "the nation should be oriented" and listed several of the "basic elements" of his economic strategy, intended to contribute in the attainment of these goals:

Progress toward a guaranteed high level of employment, reduced unemployment (a reduction of approximately 0.5 percentage points a year), the fuller use of capital resources, "broader" employment opportunities for the underprivileged, particularly the racial minorities, reorganization of the tax and social security systems, and production growth (this refers to the gross national product) at a rate of 4.5-5 percent a year in real terms;

The curbing and reduction of inflation rates and, during the next few years, "the institution of measures for the prevention of new inflationary symptoms as the level of high employment is approached" (no quantitative parameters of the fulfillment of this assignment were stipulated);

"Action by such means as will contribute to the better health of the world economy." This point, which was formulated in the most general terms, was evidently supposed to underscore the economic interdependence of the capitalist states and the need for a certain degree of interaction between the United States and its partners--naturally, primarily in the interest of the United States.

"When we are working on the stimulation of economic growth and the creation of new jobs," the President wrote, "we must rely mainly on the private sector," assigning the government the role of an "active partner." "We must realize," J. Carter announced in Congress, "that the role and functions of government are of a limited nature. Government cannot solve all of our problems, set all of our goals and indicate the paths we must follow. Government cannot put an end to poverty, guarantee economic prosperity, reduce the rate of inflation, save our cities, put an end to illiteracy, provide the nation with energy or mandate goodness."

In this connection, it should be noted that all American presidents invariably underscore their belief in the "spirit of private initiative" in their messages. Besides this, past Democratic presidents have usually assigned state-monopolistic regulations the role of almost a panacea for all the ills of the capitalist economy. We only need remember the period when the "new economic doctrine" was the dominant feature in official economic ideology and policy, when L. Johnson declared a "merciless war on poverty," promised to eliminate even the possibility of its existence and predicted that "recessions and serious inflation would be cut short before they could even come into existence." We could also recall Carter's own campaign promises, which represented an extremely optimistic assessment of the capabilities of the "activist" economic policy of the government.

The reason for this kind of obvious shift toward the minimization of the regulating potential of the government system can primarily be found in the quite obvious and serious defects in the state-monopolistic policy of economic regulation in past years, when government measures for the stimulation of economic growth did not lead to the attainment of specified goals and contributed to the origin of new difficulties. By the mid-1970's, the economy of the United States, just as the economies of the other capitalist countries, was faced by exceedingly complex problems and the entire system of state-monopolistic regulation fell into crisis along with its theoretical prescriptions.

This was also officially recognized in a number of statements by representatives of the administration and was made particularly clear in a speech presented by Secretary of the Treasury M. Blumenthal at the annual conference of the American Bankers Association in October 1977. "During the 1970's," he said, "economists, politicians and representatives of the business world have constantly had to face the fact that many of their old prescriptions are ineffective.... Now we are witnessing, for example, the parallel existence of inflation and unemployment and, besides this, they, judging by all indications, will not yield to the influence of methods tried and tested in the past."

In making special mention of the limited capabilities of government, the President was evidently pursuing a specific tactical goal—lowering the "expectation threshold" of the American people, alleviating pressure on the administration and reducing future criticism of the administration in the event of the failure of its planned economic strategy.

What are the "basic elements" of this economic strategy? The first of these took the form of a demand for the immediate adoption of a national energy program. As we know, the growing energy problems of recent years have become one of the weighty factors contributing to the general deterioration of economic affairs in the nation. The attempts of R. Nixon and G. Ford to implement a plan for overcoming energy difficulties suffered complete failure. But the problem continued to grow more and more acute.

Almost half of the energy used in the United States is derived from petroleum and around half of the petroleum used is imported. The cost volume of petroleum imports rose from 8.5 billion dollars in 1973 to approximately 45 billion in 1977. The huge deficit in the balance of trade, which was primarily caused by this, became one of the reasons for the weakening of the international positions of the dollar, the escalation of inflationary processes within the nation and the upsets in the international currency markets.

The President called for "restraint in the appetite for oil and gas," the more active investigation and development of alternative sources of energy and the conservation of energy. "The United States," he wrote, "has no choice, and we must adapt to the new era of expensive energy." In view of the fact that the energy program advanced earlier by the administration met with serious opposition and was held up in Congress, he requested the legislative organ to work closely with the administration so that an "acceptable" variant of the energy program, which he called the central element of U.S. international and domestic economic policy, could be agreed upon as quickly as possible. Besides this, when he spoke to Congress on 19 January, J. Carter attempted to exert some pressure on the legislators by announcing that the lack of a nationwide energy program would create a deadlock, which could not be tolerated since it would "undermine our national interests in our own nation and abroad." In the economic report he stressed that delays in the adoption of the corresponding bill would make it necessary in the future to take "Draconian measures" to solve the nation's energy problems.

Another element of the administration's economic strategy is to be the "careful regulation of federal budget expenditures"--in other words, the budget "economy" which has traditionally been advocated in the messages of each American President.

The need for this kind of economy is also mentioned in the new budget message. Here an estimate is offered for the 1979 fiscal year (it will begin on 1 October 1978)--the first estimate totally drawn up by the present administration. In February 1977, when President Carter presented Congress with a revised form of the budget drawn up by the Ford Administration, he promised that his subsequent budgets would be based on the principle of "zero level" budget planning--that is, they would be based on a complete analysis of all federal programs, regardless of their volume and date of institution. He also promised to reform the tax system and to reorganize the staff of the executive branch for its more efficient functioning.



His federal budget estimate reflected the severe economic difficulties being experienced by the nation. It envisages revenues of 440 billion dollars and expenditures totaling 500 billion dollars; just a simple comparison of these sums indicates a deficit of 60 billion dollars. For the sake of comparison, we will also note that the actual deficit for the 1977 fiscal year was 45 billion dollars. Therefore, the total budget deficit for 3 years (1977-1979), according to preliminary data, could amount to around 170 billion dollars, and this is substantially in excess of total federal budget revenues for the 1968 fiscal year.

Although the President has asserted that the estimate of the new budget takes the "need for a cautious and economical approach to the use of the resources of taxpayers" into account, his proposed distribution of funds according to expenditure items does not attest to any kind of "economical approach." A sharp rise in defense appropriations is planned--from 117.8 billion dollars in the current fiscal year to 128.4 billion in 1979. As for expenditures on social programs, the increase here is negligible, and if rising prices are taken into account, there will be an actual reduction in some items.

The economic report notes that budget economy measures have made it possible to hold the general increase in expenditures below 2 percent (with consideration for rising prices), while the budget message states that the real increase in defense expenditures will amount to 3 percent. It is therefore obvious that the administration plans to achieve "rationalization" and genuine economy at the expense of non-military budget items.

A year ago, the head of state promised to balance the federal budget by 1981. Now, in the face of implacable economic realities, he has been forced to take a different stand. He has admitted that, due to the low rate of economic growth, this objective could be attained "only at the cost of canceling the tax cuts we need for a higher level of employment." In this way, the issue of a balanced budget by 1981 was essentially removed from the agenda.

The administration has listed "tax reduction methods for the promotion of constant economic growth" as one of the basic elements of economic strategy. We should recall that tax reduction as a means of stimulating the economy was also proposed at the beginning of 1971 as one of the elements of the "comprehensive program," which was intended to provide an "immediate" stimulus to the economy and to improve the unemployment situation somewhat. At that time, tax cuts were called an emergency measure but now they have already been assigned the role of a basic element of economic strategy.

On 21 January 1978, the President sent Congress a special tax message, in which he outlined his plan for the reduction of corporate and personal income taxes by a total of 25 billion dollars. The net reduction in taxes paid by the individual taxpayers should amount to 17 billion dollars and be achieved through a general reduction in tax rates and the institution

of a number of benefits. The net reduction in corporate taxes has been set at 6 billion dollars (it is to be achieved in similar ways) and will have the purpose of stimulating capital investments. The remaining 2 billion is to be achieved through the cancellation of excise taxes on telephone calls and the reduction of employer contributions to unemployment compensation funds. In addition to discussing these tax cuts, the message also stated the need for tax reform, aimed at a general simplification of the present extremely complicated system of personal income taxes and the elimination of some of the "more obvious tax privileges and 'loopholes'" (this is in reference to loopholes in the system of corporate taxes). But the major purpose of the plan in this area consists in the implementation of tax measures to somehow stimulate the economy during the next few years, promote higher growth rates and at least partially reduce unemployment.

According to the President, if taxes remain on their current level, the real increase in the GNP will slow down considerably by the end of 1978 and will only amount to approximately 3.5 percent in 1979. The rate of unemployment, however, is not likely to drop below 6 percent this year and will even rise by the end of next year. According to the computations of the administration, tax cuts in conjunction with budget measures should guarantee economic growth rates of 4.5-5 percent until the end of 1979 and should lower the unemployment rate to 5.5-6 percent by the same date. "This tax program," the President wrote, "will mean the creation of up to a million additional jobs for the American workers. It should guarantee constant, steady and noninflationary economic growth."

The American administration has repeatedly resorted to tax cuts as a means of economic revival during the postwar period, particularly in the 1960's when the tax policy was declared to be one of the major instruments for guaranteeing the "steady prospering" of the economy. It is true that it did have some stimulating effect, but "steady prospering," as we know, did not take place.

Naturally, the tax cuts currently being proposed (if they are approved by Congress, they will go into effect on 1 October 1978) can have some stimulating influence on the economy (25 billion dollars is approximately equal to 5 percent of the projected expenditures in the new budget and around 1.5 percent of the GNP). But they will only have the "traditional" result—temporary improvement in economic conditions followed by new complications.

One of the goals of the reduction in corporate taxes is to stimulate the growth of fixed capital. The President stated that the low rates of increase in the inventory of industrial equipment are slowing down the rise in labor productivity levels in the nation's economy: During the last 10 years, the rate of rise in labor productivity has dropped to approximately 2 percent. In view of the present obviously slow growth of productive capital investments, the Democratic administration has felt it necessary to take special steps to stimulate capital investments and, in particular, scientific and technical progress, or "capital investments in the nation's

technological future." A real increase of almost 5 percent in federal allocations for theoretical research is envisaged for 1979.

The group of budgetary, tax and administrative measures proposed in the messages should, according to plan, not only improve the general tone of the economy and reduce unemployment, but also reduce the rates of inflation and stabilization in the international economic and financial sphere of capitalism. Underscoring the lingering and "persistent" nature of inflation, which has remained on a level exceeding 6 percent since 1975, the President called for "strict" budgetary discipline and a "sensible" credit and monetary policy. We should recall that the issue of means of economic stimulation with the simultaneous counteraction of inflation led to sharp differences of opinion between J. Carter and the former (until January 1978) chairman of the board of the Federal Reserve System (the nation's central bank), A. Burns. The appeal for a "sensible" credit and monetary policy is indisputably some kind of echo of these differences of opinion and is simultaneously meant as a kind of "directional signal" for W. Miller, the new head of the Federal Reserve System.

In addition to advocating a coordinated budget and credit policy as a means of alleviating inflation, the President is requesting employers and workers to participate in "voluntary program intended to slow down the rise in prices and wages." This program is based on the idea that the rise in prices and wages in all branches and all enterprises in 1978 should be much lower than the average figure for the last 2 years. Definite "standards of behavior" in this area are even proposed. But, as we know, the struggle of the workers for their own vital interests can never be compatible with the self-interest of employers. The usual result is actual and substantial restriction of the rise in wages and an imaginary restriction on the rise in prices.

The President called his entire group of proposals a "grand but realistic program for the future." Naturally, his budgetary and tax measures will be adopted and implemented, but since they have been taken from the traditional arsenal of means of state-monopolistic economic regulation, their use, as experience proves, will only have a temporary effect at best. It is not surprising that the messages immediately evoked severe criticism from many public organizations, particularly in connection with the further increase in defense expenditures at a time when such pressing problems as mass chronic unemployment and intensive inflation have not been solved.

8588

CSO: 1803

## CANADIAN ECONOMY IN 1977

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 53-58

[Article by V. V. Popov]

[Summary] In comparison to the other developed capitalist nations, Canada was not harmed greatly by the world economic crisis of 1974-1975. According to Canadian standards, however, it was the most severe crisis since the time of the "great depression." Canadian officials expected 1976, the first post-crisis year, to be a year of rapid economic recovery, but their hopes were not realized. Production capacities were substantially underloaded, the rate of unemployment was abnormally high for a post-crisis period and the real rate of increase in the gross national product was moderate. Corporate profits ceased to grow after the end of 1975.

In addition to all of these factors of a purely economic nature, the political situation in Quebec also had a destabilizing effect on market conditions in 1977. The Canadian business world takes a negative view of the separatist tendencies of the new administration in Quebec and is suspicious of the new government here. Many surveys conducted in early 1977 all testified to one thing: The business community did not expect any improvement in economic conditions and therefore had no particular desire to expand production or increase capital investments.

The government's steps to stimulate business activity did not lead to any economic improvement either. The only substantial factor contributing to increased market activity was the relatively high demand for Canadian goods in the American economy. But this only had a stimulating effect at the beginning of the year; during the second half of 1977 the rates of economic growth in the United States slowed down. As a result, even the most pessimistic predictions concerning Canadian economic development in 1977 were not justified.

The Canadian balance of trade improved somewhat but there was a negative balance of payments for the third year in a row. The reduction of bank interest rates made the Canadian money market less attractive to foreign investors.



One of the major priorities in Canadian budget policy last year was the reduction of government expenditures. Despite the rigid limitation of these expenditures, however, the budget deficit continued to grow. The recession in the Canadian economy in 1977 substantially reduced tax revenues, and it became evident by October that total federal revenues would be almost 2 billion dollars less than planned.

Canadian economic conditions will depend on many factors: cyclical considerations, the development of the situation in Quebec and the state of the American economy. The latter factor is the most significant. It is therefore clear that the anticipated decline in American economic growth rates will make Canada's economic difficulties even more severe.

8588

CSO: 1803

## THE SUPREME COURT AND CIVIL RIGHTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 58-64

[Article by S. A. Chervonnaya]

[Text] Early in the morning of 12 October 1977, hundreds of people gathered at the foot and on the stairs of a wide set of steps leading to the building of the U.S. Supreme Court in Washington. Many of them had spent the night on the steps, wrapped in blankets. Pickets holding signs paced back and forth on the opposite side of the street. The atmosphere was tense. The morning papers brought news from other cities about demonstrations connected with the same case the Supreme Court was about to investigate.

The essential features of this case are the following. In 1973 and 1974, white engineer Allen Bakke applied to the medical school of the University of California in Davis. His application was rejected both times. Then Bakke accused the university administration of...racial discrimination. The medical school could only admit 100 applicants. According to present regulations, 16 places were set aside for blacks and representatives of other ethnic minorities. It is this practice that A. Bakke called discrimination against whites.

In the fall of 1976, the Supreme Court of the State of California responded to a complaint filed by A. Bakke with the decision that the special programs aimed at increasing university enrollments of students belonging to the ethnic minorities were unconstitutional. This decision was appealed by the university administration. After this, the Bakke case went to the U.S. Supreme Court. It became the subject of hundreds of newspaper and magazine articles, radio and television programs and debates in academic and official circles. Many journalists called it the most significant court case concerning the rights of minorities since the time of the famous U.S. Supreme Court decision of 1954 which declared racial segregation in the schools to be unconstitutional.

This time, the Supreme Court's decision could ultimately determine the course of policy on the ethnic issue for many years to come. In actuality, the matters at stake here are much more serious than the mere issue of whether a 37-year-old white man named Allen Bakke has the right to enroll in the medical school in Davis or not.

During the second half of the 1960's, under the pressure of mass demonstrations, U.S. ruling circles were forced to take several steps toward some improvement in the status of blacks and other minorities in the spheres of employment, education and housing. Part of the programs adopted during those years was based on the principle of "affirmative action" (in American publications it is frequently called the "compensatory approach")—that is, the granting of certain privileges to blacks and representatives of other minorities.

"Affirmative action" is far from a new principle. It was envisaged in the Civil Rights Act of 1964 (Section VII) as a preventive measure against discrimination on the basis of race, nationality and sex.

Since the second half of the 1960's, special programs aimed at the admission of more blacks and other nonwhite students have been in effect at a number of higher academic institutions. As a rule, these programs are based on the annual assignment of a certain number of vacancies to representatives of the colored minorities. Some programs have also envisaged the broader representation of minorities on the faculty. As for hiring practices, several enterprises and firms (particularly firms working on government contracts) also had to adopt programs based on the principle of "affirmative action." They usually consisted in the setting of "goals"—that is, the number of non-white blue- and white-collar workers to be hired—to somehow eradicate the aftereffects of racial discrimination, and the "deadlines" for the attainment of specific "goals."

All of these measures, however, were of a limited and fragmented nature and generally were not sufficiently reinforced in the financial sense. They could not—and did not even hope to—actually eradicate the painful heritage of racial and ethnic discrimination or contribute to any radical improvement in the socioeconomic status of nonwhite Americans. The federal agencies responsible for implementing these programs did not display the necessary energy and most of them were simply negligent. In 1975, a special report compiled by the General Accounting Office of the United States mentioned that the Department of Health, Education, and Welfare "obtained minimal results in ensuring the adoption of 'affirmative action' programs at colleges and universities."

But even these extremely limited measures have been the target of fierce attacks by conservative groups since the early 1970's; they call them "reverse racism" (racial discrimination against white Americans). With the support of official circles, a broad campaign was stirred up against

any steps to guarantee members of oppressed minorities a real, and not just formal, opportunity to close the gap between them and the white Americans in the socioeconomic sphere.

The opponents of "affirmative action" assert that the special allocation of a certain number of places in institutions, enterprises or universities for members of minorities is tantamount to the establishment of "racial quotas," which promoted discrimination in the past. But they allege that the existence of "racial quotas" unavoidably leads to racial discrimination against whites.

The active opponents of "affirmative action" include overt racists, large corporations interested in the superexploitation of ethnic minorities, the reactionary members of college faculties and, finally, representatives of a number of ethnic groups of European origins, among which racist propaganda stirs up hatred for black Americans and other minorities. "Affirmative action" has also been opposed by prominent American sociologists and political scientists, such as Columbia University Professor D. Bell, Harvard University Professors A. Banfield, N. Glazer and J. Wilson, Stanford Professor S. Lipset, New York University Professor I. Kristol and N. Podhoretz, editor of the Zionist magazine COMMENTARY. In American publications the opponents of "affirmative action" have been named "neoconservatives." Despite their different views on a number of issues, they are united, as NEWSWEEK wrote, by their view of "affirmative action" as "a threat to the system" which "helped them and others like them to become successful." The "neoconservatives" assert that more reliance should be placed on the market mechanism than on the government in the resolution of social problems.

The opponents of "affirmative action" also include many bourgeois liberals who fought on the side of civil rights in the first half of the 1960's. Liberal support for the movement of black and other colored Americans grew quite weak when the latter moved from demands for formal legal equality to demands for socioeconomic equality—"equal results."

As the demands of the ethnic minorities became more profound, their former liberal allies became their opponents or, at best, took the stand of a detached observer. In their opposition to the granting of privileges to minorities in hiring and enrollment practices, to the busing of schoolchildren for the purpose of school desegregation and to the construction of residences for minorities in "white" suburbs, many liberals are actually close to overt racists. It is precisely the liberals who allege that these measures are contrary to the traditions of American liberalism, since everything is based on membership in a particular racial or ethnic group and not on the personal qualities of the individual. According to them, these measures are also contrary to the U.S. Constitution, since the latter speaks of the legal protection of the individual, and not the group.



But, as a matter of fact, the personal qualities of the individual have far from always served in the United States as even the formal criterion in hiring and enrollment practices. Special privileges are still being granted to former servicemen--especially those who took part in combat. In addition to "individual abilities," the sports background and home of applicants are taken into account at colleges everywhere. The uproar over privileges only began when the first--and extremely timid--attempts were made to use these kinds of privileges to somewhat reduce the difficulties resulting from discrimination against colored Americans wishing to enter higher academic institutions.

The campaign organized in the United States under the banner of struggle against "reverse racism" was accompanied by a definite departure from the principle of "affirmative action" in actual practice. Since the beginning of the 1970's, when the direct threat of new outbursts of dissatisfaction in the black ghettos was removed, the Republican Administration began to make cuts in several social programs and to decelerate the rate of increase in expenditures for social needs, which had particularly severe consequences for ethnic minorities. The administration turned against any signs of the "preferential treatment" of blacks and other colored Americans. In the sphere of hiring and education, this took the form of open opposition by the authorities to "affirmative action" programs.

This tendency was apparent in the judicial sphere as well as in administrative life. A report published by the Communist Party of the United States of America in June 1977 on the situation in the area of human rights stated that the "insignificant positive steps taken in the United States are already being robbed of their strength by the courts and by administrative decisions. The recent attempts at equal opportunities in the acquisition of more highly skilled jobs in industry for the oppressed ethnic minorities and women have failed. The same may be said of the efforts to overcome the labor union practice of hiring on the basis of the length of time the person has belonged to the union, which will perpetuate the already existing discrimination."

In the second half of the 1950's and in the 1960's, the U.S. Supreme Court took a liberal stand on the issue of civil rights. Most of the judges were still the same men who had been appointed by President F. Roosevelt. In recent years, however, particularly conservative tendencies have been evident in Supreme Court decisions on matters concerning minority rights.

In June 1976 the court investigated a matter connected with discrimination in hiring practices. This was the first time the court substantiated its decision by the statement that it could not impose damages for the elimination of discrimination on the basis of only evidence of its results; evidence must be submitted to the court that the discrimination was deliberate. The same principle was applied in January 1977 in a decision on a matter connected with housing discrimination, and in June to a decision on the so-called "seniority system"--that is, the practice of hiring and firing on the basis of the individual's length of service in the job and membership in the union. The need for changes in this system became particularly

apparent under the conditions of the mass unemployment of the 1970's, which had the most severe effect on members of minority groups. The fact is that blacks and other non-white workers usually have less seniority as a result of the practice of racial discrimination which keeps them out of many jobs and unions. Several federal programs adopted at the end of the 1960's provided somewhat broader job opportunities for minorities.

But when the production cuts began in the 1970's, they were the first to be laid off because they had less seniority than the whites. Therefore, as the Civil Rights Commission pointed out in a special report published in the early 1970's, the mass lay-offs, in which seniority and union membership were the primary considerations, nullified the slight improvement in employment conditions that had been achieved by the minorities by the beginning of the 1970's.

The U.S. Supreme Court took the side of the forces opposing changes in the seniority system. Its decision of June 1977, which was approved by the reactionary bosses of the AFL-CIO, will create substantial difficulties in the struggle against discrimination in hiring and firing practices. It could endanger the antidiscrimination decisions of the lower courts. The affirmative action program adopted by a number of companies could also be subjected to revision.

Many people in the United States see these actions of the Supreme Court as evidence of its more active role in the "restraint" of minority demands. For example, attorney W. Gould, famous for his activities in the defense of civil rights, announced that the Supreme Court decision concerning the seniority system "signifies that the era of reforms directed against discrimination in employment has come to an end."

The special opinion expressed by Chief Justice W. Berger of the Supreme Court during the investigation of a matter concerning the plan for the legislative revision of electoral districts in New York represented another alarm signal for the minorities. The plan, based on "affirmative action," envisaged the creation of districts in which more than half of the voters would be black. This would have given them a real opportunity to elect their own representatives to local government posts. Berger disagreed with the court's approval of this plan and, in his special opinion, advised the government to "ignore the color of a person's skin" when such matters are being considered and to remain "neutral" when making decisions. As a WASHINGTON POST editorial noted in this connection, "if the government refuses to take racial origin into consideration, it will thereby doom the racial minorities to their present status forever."

The obvious shift in the positions occupied by the U.S. Supreme Court, in which conservatives now hold the majority, cannot be ascribed merely to the changes in its makeup. The main thing is that the very nature of matters now submitted to the Supreme Court has changed. In the past, these

concerned the unconstitutional nature of the system of racial discrimination and segregation which had been legitimized in the Southern states, and the guarantee of formal legal equality for the minorities. Since the end of the 1960's, the nature of cases investigated by the Supreme Court has been changing dramatically. Now these are most frequently connected with measures to guarantee actual equality and with the legality of these measures. The position occupied by the Supreme Court reaffirms the reluctance of the dominant class in the United States to go beyond the granting of formal legal equality to ethnic minorities. Now that the issue is not one of symbolic gestures but, rather, of real steps to broaden educational opportunities and opportunities for professional training, to improve housing conditions and to put an end to discrimination in hiring practices, ruling circles have begun to stubbornly resist any further concessions.

The stand taken by Washington is inconsistent with the premises of the International Convention on the Eradication of All Forms of Racial Discrimination, even though President Carter has repeatedly promised to ratify it. It must be said that the abovementioned principle of "affirmative action" corresponds to the premises of the convention in general--for example, to those which point out the insufficiency of general declarations against discrimination and segregation and call for concrete measures in social, economic, cultural and other areas for the purpose of ensuring the proper development of racial and ethnic minorities and the establishment of "equal opportunities for the exercising of human rights." Such measures, the convention states, "should not be regarded as racial discrimination."

These are the general features of the atmosphere in which many people in the United States are impatiently awaiting the Supreme Court's decision on Allan Bakke's case. Strong pressure is also being exerted on the court by reactionary groups. By the beginning of court proceedings on this matter, the Supreme Court had received more than 60 petitions signed by representatives of over 160 organizations and containing assertions that "discrimination against whites" would be legalized if the decision went against Bakke.

For their part, the representatives of organizations of black Americans and other minorities are warning members of the Supreme Court that a decision in Bakke's favor will threaten all programs based on the principle of "preferential treatment." In the words of N. Jones, chairman of the largest organization of black Americans--the National Association for the Advancement of Colored People--"if the Supreme Court rules that racial origin should not be taken into account in admissions to the medical school, this will have an exceedingly severe effect on the status of minorities in many areas and will become an insurmountable obstacle in the way of the improvement of their situation in the sphere of employment, in business and in labor unions." Some people, as, for example, C. Lawrence, black instructor at the University of San Francisco, feel that if the Supreme Court takes Bakke's side, the United States will "regress to 1876 and the most significant achievements of the civil rights struggle of the 1950's and 1960's will be nullified."

As for the administration's position on this matter, President J. Carter and Attorney General G. Bell (whose appointment to this post was once fiercely protested by the leaders of the black American movement) opposed the granting of special hiring and enrollment privileges to minorities at first, calling them "racial quotas." But pronounced criticism of the administration by leaders of the ethnic minorities forced J. Carter to stop opposing the affirmative action program.

The fact is that the Carter Administration's first months in office have disillusioned many minorities, primarily the black Americans, whose support guaranteed his victory in the elections in a number of states. The administration has not proposed any concrete measures aimed at real improvement of the status of blacks and other minorities and has therefore been fiercely criticized by them. The statements made by the Carter Administration in connection with the Bakke case in support of the affirmative action programs--although in an extremely narrow interpretation--should be regarded as a reaction to this criticism and an attempt to mollify the disillusioned minorities.

It will be a long time before the U.S. Supreme Court makes a final decision on the Bakke case. Many American lawyers and newsmen feel that the Supreme Court will attempt to render a compromise decision by limiting the sphere of its application to only the case of Bakke and the medical school in Davis. But while the debates are still going on within the Supreme Court, it would not be superfluous to remember the warning given by Earl Warren, chief justice in the 1950's and 1960's: "We must finally recognize the existence of 34 million Americans belonging to minority groups, whose civil rights are encroached upon when they should be observed. But this will require a combination of effective legislation and good will. If one of these components is absent, chaos awaits us. We must take a lesson from the tragic experience of the Civil War and the years following it: The problem of racial discrimination will not go away until a total and final solution has been found."

No matter what kind of decision the U.S. Supreme Court renders, the questions raised during discussion of the Bakke case are of such a crucial nature that the struggle over them will go on for many years in the United States.

8588

CSO: 1803



## WASHINGTON MANEUVERS IN SOUTH ASIA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 64-68

[Article by N. S. Beglova]

[Text] While the Republican administration in the United States conducted a policy of "barely noticeable presence" in South Asia for 6 years after the India-Pakistan conflict of 1971, the 13 months of J. Carter's presidency have been marked by several active demarches in American diplomacy, particularly with respect to the largest country in the region--India. The culminating point of Washington's attempts to make substantial changes in its interrelations with New Delhi was the U.S. President's 3-day visit to India in January 1978. This trip, on which J. Carter was accompanied by Secretary of State C. Vance and National Security Adviser Z. Brzezinski, was the subject of many commentaries in the Indian and Western press. Why was India included in the brief itinerary of the American President's official visits; what lies behind Washington's heightened interest in India and South Asia as a whole? What will the consequences of all this be? These were the questions raised by the correspondents of the largest newspapers and magazines.

At least a brief discussion of the basic trends in U.S. policy in this region in recent years is obviously necessary if we are to attempt to answer these questions.

Throughout the 1960's, just as, incidentally, prior to this period as well, the United States conducted its traditional "balance of power" policy in South Asia, making use of the conflicts between India and Pakistan. It had an interest in maintaining conflict relations between these states and between India and China. Although the United States gave military assistance to Pakistan, it avoided any active intervention in the affairs of the subcontinent, fearing that this would completely isolate India and disrupt the "balance of power" mechanism that had taken shape. When the situation went out of control and grew into armed conflict between India and Pakistan, however, Washington supported Pakistan against India. As a result, as American writers themselves admitted, the United States suffered a "strategic defeat."

The armed conflict on the Indian subcontinent in 1971, India's victory and the consolidation of its positions on the subcontinent, the establishment of Bangladesh, the considerable decline in Pakistan's influence as a result of the loss of East Pakistan and, finally, the constantly growing influence of the Soviet Union and other socialist countries in South Asia against the background of the general change in the international correlation of forces in favor of socialism forced the United States to take a new approach in making foreign policy decisions regarding this region. This approach was based on the desire to broaden U.S. influence and find alternative bases of support for American political and economic interests.

Experts on American-Asian relations pointed out the need for a new, pragmatic approach to South Asia on a broad compromisory basis, including the advantages of the "balance of power" policy and considerable adjustments in the American course in accordance with new conditions in this region. In particular, they felt that one of the elements of this approach should be the "equalization" of U.S. relations with all nations of the subcontinent.

Taking India's growing influence as one of the largest and most influential countries in the Indian Ocean basin into account, the United States tried to reorient its foreign policy priorities accordingly. It was no coincidence that President R. Nixon's message to Congress of 9 February 1972 called India "a great country, a free and democratic nation, with whose future as a model of progress for the countries of the developing world the United States has linked its hopes." This, however, did not keep the United States from making an effort to undermine the relations between the nations of the subcontinent and the socialist camp, to weaken India's stabilizing role in the peaceful settlement of disputes and to support extremely nationalistic and chauvinistic groups--by this time, not only in India and Pakistan, but also in Bangladesh, the new state in the region.

The People's Republic of Bangladesh became a matter of great concern to American strategists for several tactical and strategic reasons. Firstly, the Washington administration was intrigued by the importance of this state's geographic position at the junction of South Asia and Southeast Asia. Secondly, the state had just been established and its foreign and domestic policy had not become firmly fixed as yet. Thirdly, the extremely difficult economic position of the nation, its complete dependence on foreign assistance and the absence of a firmly crystallized political and socioeconomic structure and experience in public administration in the Mujibur Rahman Government created conditions which made the extensive use of all means of American diplomatic pressure possible.

It should be noted that the position occupied by Washington during the conflict of 1971 had a negative effect on U.S. relations with Bangladesh; fierce anti-American feeling prevailed there at first. When official relations were established between the young republic and the United States, American diplomacy began to try to neutralize the negative consequences of their policy during the preceding stage, resorting to the

tried and tested method of economic "aid." An important role was also played by scientific and cultural exchange channels, American charitable organizations and propaganda.

The results of American "concentrated" influence on Bangladesh were already apparent by the fall of 1974. By using means of economic and ideological penetration, supporting rightist opposition groups and assisting segments of the national bourgeoisie connected with the West, the United States was able to neutralize anti-American feeling in Bangladesh. During this time a departure--and quite a significant one--from previously declared principles began in the domestic and foreign policy of Bangladesh. As a result of the military coup of 15 August 1975, the government was taken over by forces which began to establish close ties with the Western countries, primarily the United States, and the reactionary Moslem regimes. Friendly relations between India and Bangladesh were virtually severed, and commercial ties were completely broken on the initiative of the Bangladesh side. Against the background of a broad anti-Indian campaign in Bangladesh, the question of dividing the waters of the Ganges began to be raised and several incidents took place on the Bangladesh-Indian border. The American mass media made use of all this to stir up national fervor in Bangladesh, to alienate Dacca from New Delhi and to escalate tension on the subcontinent as a whole.

The consequences of the coup in Bangladesh transcended national boundaries. This coup began a chain reaction of internal political tension in the other countries of South Asia--a region in which the interdependence of trends in domestic development is particularly strong. This chain of events was particularly stimulated by Washington's actions aimed at diminishing the influence of progressive forces, changing Bangladesh's original orientation and undermining Indian-Bangladesh friendship--an important stabilizing factor in the South Asian political situation.

All of this provided graphic proof of the statement made at the 25th CPSU Congress that "some regimes and political organizations which have proclaimed socialist goals and are carrying out progressive reforms have been subjected to strong pressure by internal and external reaction."

Therefore, Washington's declared policy of "barely noticeable presence" in South Asia has actually turned out to be an offensive strategy aimed at destabilizing the internal political situation in these countries and ultimately drawing them into the channel of American political interests.

After the Carter Administration took office it became evident that, although the Middle East and southern Africa were mentioned most frequently in the new leadership's speeches and statements, the nations of the subcontinent had nonetheless not dropped out of the orbit of Washington's attention. This applies above all to India. The issues of cooperation between the United States and India, an increase in American aid to India and the activation of American and multilateral "development programs"

in this nation were discussed during Indian Minister of Finance H. M. Patel's talks in Washington in April 1977 with U.S. Secretary of the Treasury M. Blumenthal and IBRD President R. McNamara, as well as during U.S. Deputy Secretary of State W. Christopher's visit to India in July of the same year. President Carter's visit was intended to aid in the settlement of disputes between the United States and India and, on the whole, to improve relations between the two countries. Much was done to turn this visit into an event of primary importance to the nations of the subcontinent.

On the eve of the visit, the American press exaggerated the reports that the purpose of the President's trip abroad was to establish contacts with "regional centers of power." In this connection, American newsmen commented on India's economic growth and pointed out that it had become a "peace factor" in Asia. But although Washington declared its wish to improve American-Indian relations, it also did not conceal its desire to make changes in Indian foreign policy which would be to the obvious detriment of its traditional ties with other friendly powers.

This approach taken by the United States to the development of relations with India aroused the suspicion of large segments of the Indian public. "The United States has repeatedly used the tactics of pressure and blackmail to change Indian foreign policy," the press noted, underscoring the fact that no one but the Indian people could change the nation's foreign policy.

On the whole, Carter's visit did little to eradicate differences of opinion between India and the United States, and this affected the joint American-Indian statement, which virtually consists totally of general phrases; there is no mention of the specific stands taken by the two sides on the most critical issues. As international correspondents have correctly pointed out, this kind of silence can only signify differing views.

It is particularly indicative that the joint statement lacks any kind of reference to issues connected with the Indian Ocean and, in particular, the dismantling of the Pentagon's base on the island of Diego Garcia.

In India's view, the United States' refusal to liquidate its naval base on Diego Garcia will seriously undermine the efforts to turn the Indian Ocean into a zone of peace.

Carter's visit reaffirmed the unconstructive nature of the United States' stand on world economic development. "There is no sign," the HINDUSTAN TIMES reported, "that the American administration will meet the developing countries half-way in the North-South dialog."

Serious differences of opinion between India and the United States in regard to bilateral commercial relations and the activities of multinational corporations in India also became apparent during the visit. The United States failed in its attempt to replace dialog with India on the development



of egalitarian and mutually beneficial cooperation with the tactic of pressuring India for the purpose of expanding the penetration of the Indian market by American private capital and multinational corporations.

The government of M. Desai announced that it had no intention of changing its policy on foreign capital investments and excluded the possibility that American investors would be granted special privileges or that a separate agreement would be concluded with the United States on American capital investments.

Washington has tried to exert pressure on New Delhi in connection with several other issues as well. For example, one of the Democratic Administration's first actions was its announcement of the resumption of deliveries of uranium fuel for the Indian nuclear power station in Tarapur.<sup>1</sup> Although this decision was reaffirmed during the course of the visit, acute conflicts became apparent at the same time between Washington and New Delhi in connection with U.S. attempts to gain stronger control over the Indian nuclear program and, indeed, over the technological potential of the nation as a whole.

Indignation was aroused in New Delhi by President Carter's instructions--which were accidentally made public--to Secretary of State Vance to write a "cold and extremely abrupt letter" upon his return to Washington in response to Desai's request for further deliveries of uranium fuel. This had the effect of a "nuclear blast," as the INDIAN EXPRESS put it.

The episode proved that Washington is still relying on the "carrot and stick" policy as the most effective in relations with India. Although the United States' intention to improve these relations was widely publicized, it did not take any serious steps toward this goal. No constructive changes were made in the U.S. position on unsolved problems in American Indian bilateral relations and issues concerning the development of the international situation in South Asia as a whole.

The absence of cardinal changes in U.S. policy in South Asia was even acknowledged by Z. Brzezinski, the President's national security adviser, when he was interviewed by the Indian Television Broadcasting Corporation.

1. American experts acknowledge the fact that India did not use U.S.-supplied nuclear fuel to conduct its underground test in Pokaran in 1974. Nonetheless, after prolonged debates in Congress--and, to a significant extent, because of the latest upset in American-Indian relations--the United States stopped all deliveries of nuclear fuel to India in April 1976. The deliveries were resumed when India agreed to a dialog with the United States on its goals in the peaceful use of nuclear power. This was motivated by the United States' need for safeguards against the spread of the technology for the production of nuclear weapons and materials.

Some new tendencies in Washington's policy in South Asia must nonetheless be noted.

The most significant tendency has been the integrated approach taken by the United States, Western Europe and Japan to the resolution of international problems (within the framework of the proclaimed "trilateral strategy") and their more highly coordinated actions in the world arena, including their actions in South Asia. Elements of this approach had already manifested themselves earlier--for example, in the Western countries' attempts to force a "new" course of economic development on India and Bangladesh through the IBRD, the IMF, the Asian Development Bank and consortiums for the "assistance" of FAO programs and food assistance programs.

Another new tendency is the emphasis on joint participation with the Western countries in subregional development projects. For example, in early 1978 Washington and London announced the possibility of their participation in a regional project to develop the water resources of India, Bangladesh, Nepal and Pakistan. It is obvious from this that the United States is striving to play an active role in the development of economic integration in South Asia and thereby significantly strengthen and expand its influence in the nations of this region. The manipulation of "regional interests" is becoming an important instrument in U.S. policy in South Asia for the maintenance of developed bilateral relations with India, Bangladesh and Pakistan.

Therefore, the first year and a half of the Carter Administration's term in office provides grounds for the conclusion that the rejection of some "excessively direct" and, for this reason, ineffective aspects of the American course in relations with the South Asian states does not signify the rejection of past strategic objectives and should only be regarded as a change in methods or as a maneuver for the purpose of guaranteeing the supremacy of U.S. influence in the region.

8588

CSO: 1803

## **MOBILIZATION FOR SURVIVAL**

**Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 68-70**

**[Article by S. A. Kharausov]**

**[Text]** The historical traditions of the general democratic movement in the United States are unique. On the one hand, there has been energy, mass participation and a militant spirit and, on the other, a lack of organized unity.

The American peace movement is no exception to this rule. It, just as other mass protest movements, is characterized by elements of spontaneity and pragmatism and by ideological diversity.

There are now around 200 organizations and groups campaigning for peace in the United States. As a rule, each one has its own aims and program of activity.

Sometimes their members are united by territorial characteristics, but professional, social and religious characteristics frequently also play a role in this. Naturally, in those cases when action on a massive scale is necessary, they cooperate with one another and organize joint undertakings: protest marches, meetings, demonstrations and so forth.

Events in the political sphere are providing more and more reasons for this kind of action. The growth of militarism, the continuing arms race and the preparations for the production of a neutron bomb are evoking increasing anxiety in the broadest segments of the American public, and this, in turn, is resulting in more energetic action by the forces for peace in the United States.

The struggle against the race for nuclear arms, which threatens the very existence of mankind, is one of the primary concerns of peace-loving organizations in the United States. The direct connection between the arms race and the decline in public welfare is underscored. Many of the organizations supporting peace are beginning to realize the inadequacy of uncoordinated

efforts and the need for action on the national scale, as was the case during the war in Vietnam (at that time, many organizations and groups of fighters for peace formed two powerful coalitions--the "People's Coalition for Justice" and the "National Coalition of Actions for Peace").

In April 1977, representatives of 49 American peace organizations gathered at a conference in Philadelphia and resolved to begin work on the creation of the broadest possible mass movement of the nation's peace-loving forces against the dangers inherent in nuclear weapons and the continuing arms race. The movement was named "Mobilization for Survival on Earth."

Its basic nucleus was made up of organizations participating in the work of the conference--labor, women's, student, religious and youth organizations and, in particular, the American Friends Service Committee, the War Resisters League, Women Strike for Peace, the Fellowship of Reconciliation, Clergy and Laymen Concerned, the Intercollegiate Committee of Protest Against War and Militarism, the Conference for a Non-Nuclear Future, Another Mother for Peace, the International Cooperation Coalition, the Catholic Peace Fellowship, the Council of New York Peace Organizations and the New Stockholm Appeal Committee.

The coordinating committee responsible for the administration of the new coalition includes prominent public figures and activists in the U.S. anti-war movement: Daniel Ellsberg, Sidney Lens, Dave McReynolds, Sidney Peck and Terry Provenge.

The name of the coalition reflects the anxiety of its members, who are convinced that the production and proliferation of nuclear weapons represent a serious threat to the survival of the human race. For example, the declaration of the coalition's goals states:

"We have come together to found a movement of individuals and organizations under the name of 'Mobilization for Survival.' We are doing this because the survival of people is being threatened by the production of nuclear weapons, the arms race, which has taken on international dimensions, and the proliferation of nuclear weapons. Disturbed by the fact that the production, testing and storage of nuclear weapons threaten the survival of mankind, opposing the increasing attachment of governments and private corporations to nuclear energy, which threatens the environment, and being of the conviction that the real security of our people will be best ensured by means of a revision of the budget and a change in the production structure in favor of the needs of public health, education and housing construction and the satisfaction of other elementary human needs, as well as the reduction of defense expenditures, we are setting ourselves the goal of founding a non-violent movement of individuals and organizations to make the public aware of the present threat to the existence of mankind that is connected with the proliferation of nuclear weapons and nuclear reactors and the continuation of the arms race on the international scale and to conduct mass demonstrations against this threat for the quickest possible recognition of this danger by the public."



In the summer and autumn of 1977, activists in the organizations making up the coalition performed a great deal of work on the local level to explain this danger to the population. They exposed the social roots of the problem being encountered by millions of people in the United States and pointed out the direct connection between the economic misfortunes of Americans and the arms race.

D. Ellsberg, who once worked for the State Department and is now one of the members of the coordinating committee of the "Mobilization for Survival" coalition, stated at a press conference organized by the coalition in New York on 3 November 1977 that he heartily approved of the proposal made by General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev on 2 November 1977 at a festive meeting held in Moscow to commemorate the 60th anniversary of Great October.

D. Ellsberg also announced that the coalition is now made up of more than 100 organizations and groups supporting peace. The coalition's next actions will be demonstrations advocating a ban on the production and deployment of neutron bombs, winged missiles, Trident submarines and MX missiles. Major actions have been planned for the spring of 1978, when the special session of the UN General Assembly on disarmament will be held in New York. A date has been set for nationwide demonstration to demand an end to the arms race and a rise in public well-being, and mass demonstrations in New York and other cities have also been planned.

The fighters for peace in the United States took an understanding view of the statement made by the General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev in response to the questions of a PRAVDA correspondent on 24 December 1977 in regard to the Soviet Union's stand on the development of the neutron bomb: "The Soviet Union is definitively against the development of the neutron bomb. We understand and completely support the millions of people in all corners of the world who are protesting it. But if this problem is developed in the West--and developed to be used against us, a fact which no one is even trying to conceal--the people there must then clearly realize that the USSR will not remain a passive observer. We will be faced with the necessity to respond to this challenge for the purpose of safeguarding the security of the Soviet population and its allies and friends. All of this will ultimately escalate the arms race to an even more dangerous level...." We do not want this and we therefore propose that an agreement be concluded on a mutual refusal to produce the neutron bomb, which will guard the world against the appearance of this new weapon for the mass destruction of human lives. This is our sincere wish and this is our proposal to the Western powers."

The people of the world are becoming increasingly aware of the danger inherent in the arms race. The impressive detachment of the peace-loving people of America is part of the multimillion-strong army of fighters for peace on all continents.

## **'CONGRESS FACTOR' IN U.S. FOREIGN POLICY OF THE 1970'S**

**Moscow SSMA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 71-77**

**[Article by T. N. Yudina]**

**[Text] The rivalry between the President and Congress for the final say in foreign policy matters, the authority for which is not precisely delineated in the Constitution, has been a characteristic feature of U.S. politics throughout the history of this nation. During different periods, the upper hand has been taken sometimes by the White House and sometimes by the Capitol.**

**The executive branch has been playing an increasingly prominent role ever since World War II, particularly since the end of the 1940's; to a considerable extent, this was connected with the effects of the cold war ideology on the entire U.S. political system. Anticommunism contributed to the usurpation of congressional prerogatives by the executive branch and restrained Congress from actively resisting this process. As a result, constitutional forms of interaction were modified in a direction favoring the executive branch, which actually aided in undermining the basis of bourgeois democracy in the United States. During the cold war period, congressional activity was essentially reduced to the approval of presidential actions, frequently after they had already been accomplished. In several cases, Congress voluntarily granted the President the right to act according to his own discretion in conflict situations.**

**The crisis in American foreign policy at the end of the 1960's and the beginning of the 1970's, for which the failure of the Vietnam venture became a symbol, and the dramatic aggravation of the internal political situation in the United States, which was largely connected with the nation's risky and costly course in the international arena, made it necessary to not only change the methods and means of U.S. foreign policy but also to revise this policy itself.**

**The way to a revision of foreign policy was paved by a recognition of the need to take the change in the international balance of power into consideration, as well as several other obvious objective changes on the international scene and in the United States itself.**

The "crisis of faith" in the executive branch promoted the assumption of a more active role by the legislators, who were, in addition to this, being pressured by the voters; in particular, Congress displayed a desire to restore all of the constitutional prerogatives in the area of foreign policy that had been lost or, in some cases, voluntarily turned over to the administration. And it appears that this tendency will be long-lived.

The process by which Congress has become more active in the foreign policy sphere during the last decade, since the time of the mass antiwar demonstrations by Americans against the war in Vietnam and its consequences, went through several stages.

Hearings on the war in Indochina, which were followed with great interest by the public in the United States and abroad, were conducted in 1966-1968 on the initiative of W. Fulbright, then chairman of the Senate Committee on Foreign Relations. During the course of the hearings, it became known that the executive branch had deliberately misinformed Congress in some cases, and this caused the legislative body to find its own sources of information. It instituted the comprehensive study of U.S. security commitments, which were the greatest in terms of volume and significance, and their interconnection with American foreign policy; in 1969, a special subcommittee headed by Senator S. Symington was formed.

A report compiled by the subcommittee, in which U.S. activities in several regions of the world are examined in detail and American defense commitments abroad are analyzed, underscores the complete lack of control over the executive branch, which has taken on this multitude of commitments on behalf of the United States. "The United States has expanded its military presence overseas to such a degree," the report states, "that it has become the world's policeman. It has commitments for the defense of 43 countries and maintains 375 large and more than 3,000 medium-sized and small bases throughout the world, mainly around the borders of the USSR and China."<sup>1</sup> Most of these commitments were assumed in the form of executive agreements concluded by the administration and not requiring Senate approval.<sup>2</sup> Many of these agreements were declared confidential and were kept secret not only from the American public, but even from Congress. The basic conclusion of this study was that the change in international conditions makes it imperative that the United States reassess its postwar foreign and military policy.

The debates over urgent issues connected with the aggression in Vietnam and U.S. commitments abroad marked the beginning of regular hearings before the committees and subcommittees of first the Senate, and after 1972-1973, the House of Representatives as well, on major issues in American foreign policy.

At that time, a new stage began in the more active role played by Congress in the sphere of foreign policy. Antiwar sentiments in Congress reached such a pitch that an amendment to the bill on additional defense appropriations for the 1973 fiscal year, which prohibited combat operations by U.S.



armed forces "in, over or along the coast of Cambodia, Laos, the Democratic Republic of Vietnam and South Vietnam" as well as the use of funds previously allocated for such operations after 15 August 1973, passed by a majority in both congressional houses in June 1973. This was the first time in Congress' history that it used its financial powers to influence the executive branch.<sup>3</sup> This attested not only to a fundamental change in Congress' stand on the war in Vietnam, but also to more important changes, primarily to Congress' desire to use its constitutional prerogatives to take part in the engineering of U.S. foreign policy.

This applied above all to U.S. commitments abroad. In February 1971, Senator C. Case introduced a bill making it compulsory for the administration to submit the texts of all executive agreements to Congress within 30 days (executive agreements of a confidential nature were to be submitted to the Senate Committee on Foreign Relations and the House Committee on International Relations with the appropriate seal). Case's bill evoked an extensive and energetic campaign of support in both houses. It took two directions: In the first place, Congress attempted to define the areas to be regulated exclusively by means of treaties and the spheres of administrative activity to be regulated by executive agreements; in the second place, the executive branch was to be legally obligated to inform Congress of each concluded agreement. From the administration's standpoint, this bill, by restricting its right to conclude executive agreements, would lead to a reduction in U.S. foreign policy activity. It expected this bill to "die" in the House of Representatives, as had often been the case in the past. But in August 1972 the majority of congressmen voted in favor of it; in the Senate, the bill had already been passed unanimously in February 1972. After this, the President signed the "Case Act." This is how congressional control over the administration's activities in the conclusion of treaties and agreements was legally reinforced. This was the first successful congressional action aimed at the restoration of its foreign policy prerogatives.

During the next few years, successful attempts were made in the Capitol to supplement the "Case Act," particularly with a statement concerning the right to cancel executive agreements. Besides this, hearings on the observance of this act began to be conducted regularly in the Senate and House committees. During the hearings in the Committee on Foreign Relations in April 1976, Senator R. Clark introduced a resolution "on treaty powers," which stipulated that international agreements, including the significant political, defense and economic commitments of the United States to foreign states, should be concluded in the form of treaties, which are submitted to the Senate for its "advice and consent." R. Clark's resolution also proposed that, when the President is determining the form in which agreements should be concluded, he should consult the Senate Committee on Foreign Relations.<sup>4</sup> This resolution is now being considered by the Senate. At hearings conducted by the House Committee on International Relations in May-June 1975, Congressman J. Seiberling also introduced an amendment to the "Case Act," proposing that the phrase "consult with Congress" be replaced with the phrase "obtain the approval of Congress."<sup>5</sup>



In November 1973, another legislative step was taken, and this also augmented Congress' role in the area of foreign policy--the resolution "on military powers."<sup>6</sup>

In 1975, Senator T. Eagleton introduced three amendments to the act on military powers. The first stipulates that, before the President uses American troops to defend American citizens, he must determine whether they are actually being endangered and whether a foreign state actually cannot (or will not) protect them. The second amendment requires the President to obtain the "advice and consent" of the Senate before sending out troops; this represents a clarification of the existing phrase concerning "consultations" with the Congress. The third extends the application of the act on military powers to CIA personnel.<sup>7</sup> The last amendment had particularly great repercussions in connection with the events in Angola. As T. Eagleton announced, "the act on military powers forbids the President to use armed forces and, for this reason, the administration is attempting to involve CIA personnel in this matter. If this loophole is not closed, it will turn into a new type of presidential war."<sup>8</sup> T. Eagleton was actively supported in the Senate by C. Percy, E. Muskie, R. Clark and J. Tunney.

Since 1966, the question of the need to reduce U.S. military presence abroad has never been absent from the Senate agenda. This question was first raised by M. Mansfield when he introduced a resolution on the reduction of American military presence in Europe. He had been introducing similar resolutions annually, but they were not put to a vote during the 1966-1969 period even though 43 senators expressed support for his proposal in 1967 and 49 supported it in 1969. In 1971, M. Mansfield, making use of the constitutional power of Congress to regulate the size of the armed forces, proposed an amendment to the bill on the extension of the draft; this amendment envisaged the reduction of the contingent of American armed forces in Europe by 50 percent. After heated debates in the Senate, the amendment was rejected by a vote of 61 to 36. In 1972, his proposal on the reduction of American troops in Europe by 20 percent was rejected by 54 senators, under pressure by the administration, and approved by only 39.

Against the background of growing antiwar feelings in Congress, the question of reducing American military presence abroad was raised repeatedly in subsequent years. The debates reached their highest pitch in 1973, when three amendments were introduced in the Senate, and one of these (also authored by M. Mansfield) envisaged a 40-percent reduction in American armed forces abroad by 1975. At first, 49 senators voted in favor of this amendment (46 voted against it), but it was later rejected 51 to 44 as a result of exceedingly vigorous lobbying by the administration. In September 1973, the Senate passed (84 for, 5 against) an amendment introduced by H. Jackson and S. Hanna to the bill on defense orders for 1974. It proposed that the United States' NATO allies liquidate the deficit in the U.S. balance of payments, which was connected with expenditures on the stationing of American armed forces in Western Europe, within 18 months. In the event

of noncompliance with this request, the United States would begin to reduce its forces in the nation refusing to cover the deficit. In this way, emphasis was not placed on the reduction of troops in Western Europe, but on an increase in the defense expenditures of the Western European countries.

The White House quite actively opposed any proposals concerning the reduction of American military presence abroad, implying that this would harm U.S. relations with the NATO allies and would weaken the West's position in the talks on the reduction of weapons and armed forces in Central Europe.

After 1973, the discussion in the Senate on the reduction of American armed forces abroad subsided dramatically. This was due, in the first place, to the fact that the administration had been successful to some degree in parrying the arguments of those who linked expenditures on the maintenance of U.S. armed forces abroad with the state of the U.S. balance of payments,<sup>9</sup> and it was precisely these arguments that were the conclusive ones for most of the senators. In the second place, the group of senators opposing the reduction of American military presence abroad, headed by S. Nunn, J. Stennis, B. Goldwater, J. Buckley, H. Scott, J. Tower and H. Jackson, were able to coax most of the senators over to their side by asserting that a one-sided reduction in the size of U.S. armed forces abroad would result in a dramatic change in the balance of power in favor of the Warsaw Pact countries and the disintegration of NATO. The "post-Vietnam syndrome" also had a substantial effect on the position of the Senate: The defeat in Vietnam caused the legislators to try to avoid or oppose any actions that might be interpreted, in their opinion, as a "continuation of the United States' retreat" from its international positions.

Since 1974, however, the campaign for the reduction of American military presence abroad has become much more lively in the House of Representatives. T. O'Neill, who was then the Democratic leader in the House, proposed an amendment to the bill on the Pentagon budget which envisaged the reduction of American troops abroad by 100,000 men by 31 December 1975. The amendment was rejected in the House by 240 votes, but nonetheless 163 congressmen voted in favor of it. In 1975, Congressman R. Dellums introduced an amendment on the reduction of American troops abroad by 170,000 men. He made similar proposals in 1976 and 1977.<sup>10</sup> He was actively supported by Congressmen H. Johnson, J. Krebs and J. Seiberling. These proposals were not adopted, but the very fact of their introduction and extensive discussion in the lower house was noteworthy since this body had not displayed any great interest in this matter in the past.

During 1973-1975, virtually all of the administration's proposals in the area of foreign policy were fiercely debated and opposed in Congress. This was the period of the unprecedented decline in the prestige of the U.S. presidency (the scandalous dismissal of S. Agnew from the vice-presidency, the Watergate affair, the publication of the Pentagon Papers, the first CIA exposures, etc.) which made the tension in the relations between Congress and the White House even more noticeable. According to the NEW

YORK TIMES, "the Constitution's invitation to debate turned into a genuine war between the President and Congress in the area of foreign policy. And the side on the offensive was Congress."<sup>11</sup> The situation was also aggravated by the fact that the executive branch was headed by a representative of the Republican Party while the majority in both congressional houses belonged to the Democratic Party.

When we examine Congress' participation in U.S. foreign policy after 1975, we must underscore the fact that it continued to be active in this sphere. Although it did not adopt any documents equal in significance to the "Case Act" and the act on military powers, it regularly supervised their observance by the executive branch and took steps to expand the sphere of its control. As Chairman C. Zablocki of the House Committee on International Relations said in January 1977, a law would probably be passed in 1978 on Congress' right to veto executive agreements containing commitments to foreign states.<sup>12</sup>

One of the important foreign policy aspects of constant concern in the Senate and the House of Representatives in the 1970's was the United States' relations with the USSR.

The policy of detente is being established in the United States in an atmosphere of fierce struggle. The debates on Capitol Hill reflect the difficulty that U.S. ruling circles are having in realizing the imperative nature of detente, since it is precisely in Congress that the diverse and sometimes conflicting interests of the various groups making up these circles are most fully represented. When we examine the legislators' position on issues in Soviet-American relations, we must remember that the discussion of these issues took place at a time when Congress was becoming more active in foreign policy in general and that the Nixon Administration tried to ignore Congress' views when it compiled the first Soviet-American documents and planned its actions in this area.

When the bill on trade reform, containing the stipulation that the Soviet Union be granted most favored nation terms in trade, was discussed in Congress in December 1977, the legislators seized upon the fact that, in violation of the "Case Act," the trade agreement of 1972 with the Soviet Union had not been submitted to Congress for more than a year and was then not submitted in its entirety. Later, C. Case said that "if the administration had concluded a trade agreement with the Soviet Union in the form of a treaty and had submitted it to the Senate for its 'advice and consent,' it would never have had such negative consequences."<sup>13</sup> Although it is clear that Congress' position was essentially determined primarily by factors connected with the anticommunist views of the legislators and the pressure exerted on them by the military-industrial complex, Zionist groups and the reactionary bosses of the American labor unions, it is still possible that the administration's violation of the Case Act also had a definite part in making Congress' position "tougher."



In subsequent years, hearings were conducted in both congressional houses on several important aspects of Soviet-American relations: The issues discussed in 1975 and 1976 were the progress in the observance of the 1972 agreement on strategic arms limitation, the effect of the Vladivostok agreement on U.S. security, the consequences of the Trade Act of 1974, Soviet-American economic relations, the Soviet-American military balance and U.S. relations with the USSR and Poland.

The year of 1977 brought new problems in the development of Soviet-American relations, connected with the new administration in the White House. The opponents of detente, taking advantage of the traditional anti-Soviet feelings in Congress and of the heightened sensitivity to the question of U.S. military strength after the defeat in Vietnam, energetically propagandized the thesis of the growing military strength of the USSR and the "Soviet threat" to the West.

The first serious confrontation between the supporters of different views on the development of relations with the USSR in the 95th Congress took place in February-March 1977 during Senate discussion of the appointment of P. Warnke as the head of the American delegation at the strategic arms limitation talks; this grew into debates over the entire issue of Soviet-American relations and the prospects for their development. The opponents of detente demanded that the United States adopt a "tougher" line in talks with the Soviet Union. The intensity of the conflict is attested to by its results: P. Warnke's appointment was approved by a vote of 58 to 40.

The major issue in Soviet-American relations at the present time is the conclusion of a U.S.-USSR treaty on the limitation of strategic offensive weapons. The firm and consistent position demonstrated by the Soviet Union in response to the United States' attempts to revise the agreement that had already been reached forced the administration and Congress to reassess U.S. positions somewhat, particularly after this hopeless policy had not only been rejected by the Soviet Union but also failed to find support from the United States' allies. Speakers in both congressional houses indicated the need to promote the strategic arms limitation talks and continue and develop the policy of detente.

In September-November 1977, the most impressive and extensive hearings on Soviet-American relations were conducted in the Subcommittee on European and Middle Eastern Affairs. These hearings attested to the continuation of the fierce struggle over these matters in Congress.

Congress' approach to Soviet-American relations in general is distinguished by inconsistency and wavering. In their official statements, the legislators have repeatedly stressed their support of detente; the exchange of parliamentary delegations between the Soviet Union and the United States in 1974, 1975 and early 1978 was assessed in the Capitol as a positive factor in the establishment of mutual understanding and trust between the two states.



But even though they realize that it would be fatal for the United States to continue a course of cold war, the legislators are not always able to overcome their deeply entrenched anticommunist and anti-Soviet prejudices, and the effects of these are always apparent in Congress' actions.

One of the distinctive features of the U.S. Congress is that most of the legislators know much more about domestic policy issues than about foreign policy, not to mention military matters. After learning that the executive branch has deliberately misinformed them in some cases in recent years, the legislators now listen quite attentively to the arguments and statements of their colleagues who are reputed to be experts on these matters. It would be an oversimplification to believe that the legislators who are particularly active in the area of foreign policy determine the position of the other senators and congressmen; the position of each member of Congress takes shape under the influence of many factors. But the initial information on a particular foreign policy issue is frequently acquired by the legislators precisely from their colleagues whose opinions they consider to be authoritative. To a certain degree, this is the reason for the influence of Senator H. Jackson and his Subcommittee on Arms Control of the Senate Armed Services Committee on matters connected with Soviet-American relations. The subcommittee has a great deal of influence not only among legislators, but also in the administration, which has sometimes consulted this body first in an attempt to deduce the mood of Congress. During the last few months, however, particularly after it became known that members of the subcommittee had been involved in the "leak" of confidential information on the strategic arms limitation talks, which complicated the negotiations, demands have been heard in the Capitol that the subcommittee be deprived of its privileged role and that its opinions not be regarded as the views of the entire Congress.

It is probable that the present administration has to take the legislators' position into account in its foreign policy activity even more than the previous administration. The predictions that a Democrat in the White House would alleviate the tension in the relations between the executive and legislative branches were not justified. Congress' desire to secure active participation in the determination and conduct of foreign policy has turned out to be stronger than party solidarity.

The question of the ratification of the treaties on the Panama Canal signed in September 1977 became a convincing example of this. The administration embarked upon unprecedented lobbying efforts to achieve their ratification before the first session of the 95th Congress adjourned. In August 1977, the President sent telegrams to all of the members of the Senate, informing them that the U.S.-Panama talks had come to an end and that treaties were to be signed. After this, his assistants telephoned all of the senators and leaders in the House of Representatives to inform them of the conclusion of an agreement. According to the NEW YORK TIMES, "this was one of the most intensive behind-the-scenes campaigns in the White House for many years."<sup>14</sup>

Nonetheless, the treaties were not ratified by the end of the year. Debates over this matter flared up again at the second session. The opponents of ratification tried to push through a multitude of amendments to the signed treaties in order to extend the United States' period of control over the Canal Zone. The discussion of each of these gave rise to prolonged debates and required explanations by representatives of the administration. As A. Clymer, NEW YORK TIMES Washington correspondent, wrote: "The opponents of the treaties are engaging in filibusters, proposing one petty amendment after another. The debates...are distinguished by verbosity and redundancy." He predicted that the treaties would continue to be discussed in the Senate until the end of April.<sup>15</sup>

Therefore, we can see that the process by which Congress has assumed a more active role in the area of foreign policy has been extremely contradictory. The complexity of the foreign policy issues confronting Congress is compounded by the multitude of interests it represents.

The ambiguity of Congress' role in U.S. foreign policy should also be pointed out. Its unequivocal desire to restore its constitutional prerogatives has been of some significance in limiting the administration's absolute rule in foreign policy matters, and this significance is growing. At the same time, Congress' heightened activity in the foreign policy sphere sometimes affects the administration's activities in this area, introducing the element of instability.

The "congressional factor" has become a reality in U.S. foreign policy and, as such, deserves thorough study from the standpoint of the prospects and areas of its influence on Washington's foreign policy. Naturally, the assumption of a more active role by Congress in U.S. foreign policy will not affect the basis of this policy since both Congress and the administration primarily represent the interests of the ruling class. It should also be noted that all of Congress' activity in the area of foreign policy mainly represents actions of a veto nature. Congress has been unable to propose a constructive program for the restructuring of foreign policy simple because, if for no other reason, its role is limited by its position in the governmental and political structure of the United States. The goal pursued by the legislators in the interrelations between Congress and the executive branch in the sphere of foreign policy can be described on the whole as a desire to restore the "power equilibrium" that was disrupted during the cold war and to take an active part in determining and implementing not only foreign policy, but also individual documents of importance, correcting them from the standpoint of domestic policy pragmatism.

#### FOOTNOTES

1. "Hearings Before the Subcommittee on Security Agreements and Commitments Abroad," U.S. Senate, 24 November 1970, p 2417.

2. See A. M. Belonogov, "The Executive Agreement as a Form of U.S. International Commitments," SSRA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1973--Editor's note.
3. During 1966-1973 the U.S. Senate voted 86 times on the war in Vietnam; in 62 cases the vote concerned the limitation or reduction of equipment for military actions, and in 14 cases the vote concerned the cessation of combat and the withdrawal of troops. The House of Representatives voted 26 times on these matters and 6 of the votes concerned the cessation of combat operations and the withdrawal of troops ("The Legacy of Vietnam," Ed. by A. Lake, New York, 1976, p 199).
4. CONGRESSIONAL RECORD, 14 April 1976, p 55744.
5. "War Powers: A Test of Compliance," Hearings...House of Representatives, 7 May-4 June, 1975, p 46.
6. For a more detailed discussion, see D. N. Konovalov and V. A. Savel'yev, "An Act Restricting the Military Powers of the President," SSRA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 2, 1974--Editor's note.
7. CONGRESSIONAL RECORD, 16 December 1975, p S22254.
8. Ibid., p S22255.
9. A report submitted to Congress in May 1975 by the President states that the United States' Western European allies have even "overfulfilled" demands for an increase in expenditures on the maintenance of American troops and that the agreement with the FRG on compensation for American expenditures on improvements in the NATO infrastructure has made it possible to ease the U.S. budget (ORBIS, Summer 1976, p 435).
10. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 17 April 1976, p 932; CONGRESSIONAL RECORD, 22 April 1977, p H3457.
11. THE NEW YORK TIMES, 29 November 1976.
12. CONGRESSIONAL RECORD, 4 January 1977, p E27.
13. CONGRESSIONAL QUARTERLY WEEKLY REPORT, 5 August 1975, p 1714.
14. THE NEW YORK TIMES, 31 August 1977.
15. Ibid., 3 March 1978.

8588

CSO: 1803

BOSS. RICHARD J. DALEY OF CHICAGO

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 78-86

[Conclusion of Russian translation of the book "Boss. Richard J. Daley of Chicago" by Mike Royko, New York, E. P. Dutton and Co., Inc., 1971]

[Not translated by JPRS]

CSO: 1803



## POSTSCRIPT TO 'BOSS'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 86-88

[Article by V. O. Pechatnov]

[Summary] Richard Joseph Daley's funeral, on 23 December 1976, was attended by some of the biggest names in U.S. politics--J. Carter, N. Rockefeller, E. Kennedy and others. A crowd of thousands gathered in front of the church in Chicago, the city Daley had ruled with an iron hand for more than 20 years.

The last years of Daley's life were difficult for him. He was losing his power. His brutal treatment of the Black Panthers and the unpopular trial of the Chicago Seven diminished his influence considerably, particularly among the black voters, who had always obeyed his "machine" in the past. In 1972, the recent "maker of presidents" and his delegation were not admitted to the Democratic convention in 1972. Some of his closest associates were convicted on scandalous charges involving corruption in the municipal agencies of Chicago. Daley himself did not escape scandal when it became known in 1974 that he had secretly acquired control over a real estate firm and had used his position as mayor to advance his son's career in the insurance business.

As soon as Daley died, however, he was almost elevated to the status of a national hero. Many mythical good deeds and services were ascribed to him. According to the CHICAGO TRIBUNE, Daley may become "a legendary figure in American political and social history." All of this was not only due to the American tradition of glorifying politicians after their death, but also to new trends in the political feelings and views of Americans--a wish to go back to the "good old days."

The hero of Royko's book is probably not Mayor Daley himself, but the party organization he built up. The author shows us the hidden workings of the American bourgeois parties, the laws governing their activities and the unwritten "rules of the game." He describes the basis of party ties--the

unprincipled and unscrupulous ties of bribery, graft, deals for protection and division of the spoils. These resemble Mafia laws more than the principles of a respectable political organization.

Powerful political machines of this kind still exist in New York, Philadelphia, Jersey City, St. Louis and other cities. Like the Chicago machine, they trade jobs, contracts and other political and commercial privileges for votes, creating a perfect breeding ground for corruption and the abuse of power. Unlike the political machine in Chicago, however, they are less stable and they lack leaders with Daley's qualifications. This was an administrator with a great deal of experience and skill, a politician with an "iron hand in a velvet glove." In contrast to many of his colleagues with their openly piratical methods, Daley was quite aware that all deals, bargains and arm-twisting should take place behind the scenes.

8588

CSO: 1803

## PETROGLYPHS OF NORTH AMERICA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 89-96

[Article by Ye. A. Okladnikova]

[Summary] Primitive drawings and legends carved in rock have been found in many regions of the world. The most famous have been discovered in France, Spain, the Sahara Desert, Sweden, the Soviet Union, Australia and North America. Judging by the works that have been preserved, this form of art went through a long course of development. The works created in different historical periods represent an invaluable source of knowledge about the spiritual world of prehistoric man. They reflect his ideas about life, the world and the universe.

The first petroglyphs in North America were discovered by European explorers in the 17th century in what is now the State of Illinois. In the 18th century, more rocks covered with primitive drawings were found in Arizona and Colorado. Later, similar works of art were discovered in Nevada, California, Utah, Minnesota and other parts of the United States and Canada.

The first study of these "pictograms" was published almost a century ago in 1886. The abundant factual material collected by American and Canadian scientists refuted the absurd theories once circulated about the origins of this kind of art in North America. These researchers proved beyond the shadow of a doubt that this was the work of the American Indians themselves, and not of mythical travelers from Greece, China, Rome, Egypt or Atlantis.

For the Soviet researcher, the rock drawings of the North American Indians are interesting not only because they are excellent works of art distinguished by a variety of subjects and styles but also because they are quite similar to the petroglyphs found in the Soviet Union.

8588

CSO: 1803

## THEORIES OF MANAGEMENT: GOAL-ORIENTED APPROACH

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 97-105

[Article by V. S. Rapoport]

[Summary] The objective goal of every capitalist enterprise is the maximization of profits. Each corporation, however, is also faced with several objective requirements which cannot be ignored: It must pay out a large part of its profits in the form of taxes, it must keep product quality at least at a level guaranteeing consumer safety and environmental protection, it must observe a number of legal norms, etc. The observance of these requirements can reduce the size of absolute profits, but the corporation is forced to comply with them by its dependence on the government and on consumer demand.

Capitalist firms resort to various ruses to convince the public that the goals of private business do not conflict with the goals of society. One of the most effective of these ruses consists in the setting of "official" and "operational" goals. The "official" goals are the general intentions of the organization, as stated in the company charter, its annual reports and public statements by its top administrators. In contrast to these, the "operational" goals are the actual planned results of the organization's activity. They indicate what the organization is actually trying to achieve, regardless of the intentions implied in official goals. Official goals are generally stated in vague and broad terms and are used as a means of legitimizing the firm's activities. Operational goals, however, are precisely the ones that are actually being pursued.

Any act of positive social value performed by the capitalist company is represented by this company as evidence of its social responsibility. Representatives of the bourgeoisie try to convince the public that businessmen are working toward the public good by engaging in profitable commercial activity, ostensibly because this provides society with a source of tax revenues and jobs. A survey conducted by the Stanford School of Business indicated that only 20 percent of the large corporations in the United States are directly involved in financing some kind of social program.



Another 50 percent feel that they could, in principle, take a serious part in the resolution of social problems but are not financing any kind of programs at present. Another 25 percent are fully convinced that they are fulfilling their social obligation by paying taxes and offering jobs to the public. The remaining 5 percent believe that business should not become involved in the resolution of social problems at all.

8588

C50: 1803

## BOOK REVIEWS

### Overseas Activity of U.S. Multinationals

Moscow SSNA: *EKONOMIKA, POLITIKA, IDEOLOGIYA* in Russian No 4, Apr 78  
pp 106-108

[Review by S. A. Karaganov of the book "Storm Over the Multinationals. The Real Issues" by Raymond Vernon, Cambridge (Massachusetts), Harvard University Press, 1977, 260 pages]

[Text] The activities of multinational corporations have been the subject of a veritable torrent of literature in recent years. All of this attention has not only been occasioned by the dramatic growth of these corporations and of direct private capital investments abroad during the last 15-20 years,<sup>1</sup> but also by the increased influence of the corporations on many economic and political problems arising in the countries in which they are based and in the host country. These include the unprecedented increase in economic and political interdependence; the energy crisis and the stronger stand taken by some developing countries; the enormous growth of the European currency market, which constantly threatens new flare-ups of the currency crisis; the more intense struggle for raw materials, in which the developing countries have found a stronger voice, and many other problems.

The central issue in the debates over the multinational corporations is the interrelationship between the increasingly powerful corporations, their host countries and various government agencies in their base country. This is the main subject of this new book by Professor Raymond Vernon, one of the most prominent American experts on the multinational corporation and international economic issues and the director of the Harvard University Center for International Affairs.

1. In 1975 American direct investments abroad totaled 133.2 billion dollars in comparison to 49.5 million in 1965, and this figure made up slightly more than half of all private direct investments abroad ("International Economic Report of the President, Wash., 1977, p 86).

The author attempts to summarize the results of the debates over the multinational corporations in the Western press. One of the book's chief merits is that it is based on, and makes reference to, almost all of the major works on the multinational corporations written in the West in recent years and therefore contains an excellent bibliography of books and articles touching to some extent on the problems connected with the activities of the multinational corporations. Besides this, the author bases his work on the results of the research on these corporations that has been conducted at Harvard University for more than 10 years now under his supervision. Because of this, the book contains new information.

As we know, the influence of the multinational corporations on economic and political life in the developing and developed capitalist countries takes different forms. And although many problems are common to both the developed and the developing countries--for example, weaker national control over entire branches of industry, stronger dependence on economic conditions in the world markets, the possible use of the corporations by their base countries as a political instrument and some others--the developing countries are in a much more difficult position. Most of the developing countries have low levels of economic development and a shaky political and social structure. They have too few opportunities to choose means and methods of attracting foreign technology for their development. As a result of this, the influence of the multinationals on their economies is much more perceptible than in the developed capitalist countries.

In his description of the present situation of the developing countries, R. Vernon notes that their position has become stronger in recent years. The author feels that this has partially been due to the economic difficulties experienced by the base countries, especially the United States. Their governments, he writes, sometimes do not wish to resolutely defend absolutely all the overseas actions of the multinationals under these conditions. This, in his opinion, is harming U.S. "national interests" strategically to some degree. For example, the author writes: "Since the rich nations lost some of their ability to achieve their own purposes by means of coercion and persuasion in the 1930's and 1960's, the multinational corporations in the developing countries have become more vulnerable, and it has become easier to attack them without fear of retaliation" (p 145).

Nonetheless, since these corporations still control the world markets, plants for the processing of raw materials and a worldwide sales network, the multinational corporations, even after losing some support from their base countries, still have extensive opportunities for exerting pressure on the developing countries and forcing them to accept their terms. The net of economic dependence with which the multinationals are entangling the developing countries is sometimes a more effective means of political pressure than even the threat of intervention. It is precisely because of this that statements by some American writers, to the effect that the

multinationals and the developed capitalist countries they represent are now "on the defensive," must be seen as attempts to camouflage the essence and aims of imperialist policy in regard to the developing countries.<sup>2</sup>

At the same time, the activities of the multinationals intensify inter-imperialist conflicts. The capitalist states with the least economic power--even though their own corporations are also establishing and expanding their overseas branches--are being confronted with the use of the multinationals by the more powerful states, especially the United States, to achieve their own economic and political goals, sometimes at the expense of their allies and partners. In his discussion of this problem, R. Vernon tries to take the edge off it. He asserts that allies disagreeing with the United States on security issues usually conclude that the United States will not exert pressure on them for the purpose of using overseas branches of American firms in its own interest, and that even if it does, it will not have any marked success in this (p 104).

Citing examples which, in his opinion, attest to the fact that the governments of the developed capitalist host states have successfully resisted U.S. pressure several times in the past, R. Vernon remains silent about such facts, for example, as the ten cases in which the United States refused to allow branches of American corporations to cooperate with other countries in one sphere or another on the grounds that this would violate legislation "on trade with the enemy."

At the same time, the growing relative "independence" of the multinationals represents a substantial problem facing the developed capitalist countries. Sometimes their actions can be inconsistent with a particular policy of their base government, and they are now more successful than in the past at evading attempts to regulate their operations. In reference to this problem, R. Vernon notes that the restrictions on the export of capital to which the United States resorted in the 1960's did not actually limit the expansion of the American multinationals to any extent. They simply took out larger loans from European banks. This practice still exists and is even becoming more widespread. This, in turn, evokes dissatisfaction in some Western European business and political circles, many members of which assert that enterprises and even entire branches of industry in their nations are being bought with their own money, thereby depriving them of any control over some branches of the national economy.

The overseas activities of American multinational corporations are also causing growing dissatisfaction in some segments of the business community in the United States and in American labor unions since they generally lead

---

2. Views of this kind have been expressed, for example, by C. Fred Bergsten, prominent American expert on international economic affairs, former Brookings Institution associate and now U.S. assistant secretary of the treasury for international affairs. See, for example, his articles: "Coming Investment Wars?" FOREIGN AFFAIRS, October 1973, pp 135-152; "The Threat From the Third World," FOREIGN POLICY, Summer 1973, pp 102-124.



to fiercer competition within the nation and to the loss of jobs. By establishing enterprises on so-called "export platforms" in regions with cheap labor, as South Korea, Taiwan and the Philippines, the multinationals are exporting finished goods from those countries back to the United States, which is putting many branches of American industry in an exceedingly difficult position (for example, the clothing and footwear industries). One of the side-effects of this is an increase in unemployment, which is already of a chronic and massive nature.

In examining the bourgeois states' possibility of using the multinational corporations in their own interests during the present stage in the development of their interrelations, the author writes: "The ability of each individual government to force a specific firm to take steps in support of its policy—for example, to found an enterprise in an underdeveloped region or to lower prices on important products--has diminished; large firms now have the possibility of choosing between competing states, which they never had in the past. At the same time, the number of multinational enterprises in each large branch of industry has tended to rise over the years. There will also be a corresponding rise in the number of enterprises to which the government of a particular nation can turn for the attainment of its objectives" (pp 136-137).

All of R. Vernon's "balanced" discussion ignores the essence of the matter, which consists in the fact that the foreign expansion of American and other multinational corporations is directed by and large toward the stabilization of the capitalist system and the consolidation of imperialism's positions in the developing states.

R. Vernon conducts an equally "balanced" discussion of a factor contributing to the reinforcement of the multinationals' position in the capitalist world--their seemingly multinational nature which derives from the international scale of their activity. With its branches and affiliates incorporated in many states, the multinational corporation functions, as it were, as a supernational, cosmopolitan force somehow "not identifiable" with "traditional" imperialism, as a result of which it can take advantage of the conflicts between individual nations and even between individual groups in a single nation. R. Vernon only notes that "the function of the multinational enterprise as an unofficial arbiter (?) became particularly clear at the peak of the oil crisis in 1973 and 1974, when the oil companies took over worldwide petroleum distribution" (p 181).

The author of the book being reviewed strives to adhere to this "balanced" and "moderate" position on other issues concerning the role of the multinationals in the economics and politics of contemporary capitalism as well.

R. Vernon feels that neither the multinational corporations nor the internationalization of capitalist production, of which these corporations are the major subjects, can "eradicate" national boundaries. But although the

bourgeois government is subjected to constant pressure by the bourgeoisie, which is connected with national production and is therefore threatened by the multinationals, and although the government must listen to the demands of the general public, it nonetheless cannot--and does not wish to--impose any substantial restrictions on the activities of the corporations. "Neither the multinational enterprise nor the government has shown any signs of diminished activity in the world economy," the author concludes (p 211).

In his new book, R. Vernon has departed to a significant extent from the criticism of the "multinational phenomenon" which was present in his previous works, particularly his famous book "Sovereignty at Bay."<sup>3</sup> Even then, however, he did not propose any effective ways of solving the multifaceted and complex problems connected with the activities of the multinational corporation.

#### Theories of Modernization and Interdependence

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 108-110

[Review by I. N. Shcherbakov of the book "Modernization and the Transformation of International Relations" by Edward L. Morse, New York, The Free Press, 1976, 203 pages]

[Text] In his new book entitled "Modernization and the Transformation of International Relations," Edward Morse attempts a theoretical substantiation of the reconstruction of international relations on the basis of the theory of "modernization." According to Morse, this theory is "revolutionary and universal" and will supposedly guarantee objective understanding of the nature of ongoing changes in the world and their effect on contemporary international relations.

What does E. Morse mean when he speaks of the "modernized" approach to contemporary international relations?

His analysis of trends in the development of international relations takes two directions. On the one hand, the author criticizes the traditional approach of the West to international relations. He points out the incompatibility of the dogmatic concepts of the so-called "Westphalian System,"<sup>1</sup> which lie at the basis of this approach, with the requirements of the present stage of development. Morse includes the primacy of force, the primacy of foreign policy over domestic policy and the balance of power among these dogmatic concepts. In other words, Morse criticizes the value

3. R. Vernon, "Sovereignty at Bay: The Multinational Spread of U.S. Enterprises," N.Y., 1971.

1. A system of international relations based on interaction by sovereign states. It came into being in the 12th century as a result of the conclusion of the Westphalian Peace.

system of foreign policy from "a position of strength"--the policy that has been conducted by the United States and the West and has led the capitalist countries into a "power deadlock."

At the same time, it should be noted that Morse's criticism of the traditional postulates of policy from "a position of strength" is not accompanied by the proposal of precise alternatives to this policy. His understanding of the need for peaceful coexistence does not lead Morse to the conclusion that it would be expedient to totally reject the foreign policy of the cold war period. It would seem that the author is placing major emphasis not on the rejection of the foreign policy dogmas of power politics, but on a change in the parameters of this system of politics. His discussion implies that the foreign policy interests of the United States should be safeguarded not only by military means, but also and primarily by economic, technological and ideological means with their, according to him, greater effectiveness at a time of international detente.

The other direction taken by Morse in his study consisted in proving the need for the transformation of international relations with consideration for the profound changes occurring in the world as a result of the technological revolution. In support of his thesis, the author cites a broad spectrum of "changes in international relations." Among these, he includes the diminishing role of state sovereignty, the emphasis on politics in international economic relations, the development of new structures in international relations (he is referring to transnational forces and institutions) and the ascription of primary importance to problems of a global nature (the economic gap between the "rich" and "poor" nations, environmental protection, sources of energy, world food supplies, etc.). The writer predicts that the management of an "interdependent world" and the preservation of the stability of international relations will become the central issues in international affairs in the near future.

The positive side of Morse's analysis is his recognition of the need for peaceful coexistence and further steps toward international detente. The scale of the changes in international relations due to scientific and technical progress is analyzed quite thoroughly in the book as a whole.

The one-sided approach of the American writer to the study of international affairs is evident, however, in Morse's failure to take objective tendencies in their development fully into account and his association of contemporary international relations only with the capitalist world, ignoring the role of the USSR and the worldwide socialist system in these relations.

The erroneous nature of Morse's initial premises is particularly apparent in the recommendations he makes regarding the reconstruction of international relations on the basis of his statement about the "erosion of classic concepts of national sovereignty." Recommendations of this kind, which are aimed at denigrating the role of state sovereignty, are inconsistent with the requirements of the progressive transformation of international affairs.

The construction of models without any consideration for state sovereignty, the equality and independence of states, as one of the major principles of international relations becomes an abstract scheme which cannot serve any practical purpose in the consolidation of international peace and security. Only the strict observance of this principle can guarantee the efficient functioning of the international system and consolidate peace and security.

A large part of Morse's study is devoted to the modification of the "theory of interdependence," which has been widely publicized in American research works. In Morse's interpretation, "interdependence signifies the mutually conditioned result of specific actions by two or more subjects of international relations" (p 118). In striving to find a new interpretation for interdependence, Morse links the thesis concerning the intensification of the conflicting nature of the "Western community" with the growth of interdependence. "The higher the level of interdependence, the greater the probability of crisis in the interaction of political systems," the author stresses (p 129). This approach is seen in its most distinctive form in the author's discussion of the intensification of conflicts between the United States and the EEC countries over key issues in trade, economic and financial policy. Morse's analysis of the contradictions in the capitalist world brings him to an important conclusion in regard to the increased potential of individual states to manipulate crisis situations to attain their own domestic and foreign policy goals. Morse frankly says that "the United States, because of the growth of systematic interdependence within the NATO framework, resorts to economic and political manipulation in allied countries for the purpose of imposing its will" (p 140).

His recognition of the objective realities in the relations between the capitalist countries does not impede Morse in any way from defending the thesis concerning the United States' preservation of its historical, political and economic advantages even under the conditions of crisis in the world capitalist system. This is the reason for Morse's attempts to convince the capitalist countries of the need for close cooperation with the United States even at the cost of losing their national sovereignty and reconciling themselves to the United States' leading role in economic development.

Therefore, this new interpretation of the "theory of interdependence" offered by Morse is used in practice as theoretical grounds for the comprehensive reinforcement of reactionary military blocs of the NATO type under the aegis of the United States and the need for the broader coordination of the policies of the leading capitalist nations in the face of the growing international influence of the USSR and the other socialist countries.



### Ball's Foreign Policy Suggestions

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 110-111

[Review by A. F. Gorelova of the book "Diplomacy for a Crowded World. An American Foreign Policy" by George W. Ball, Boston-Toronto, Little, Brown and Company, 1976, 356 pages]

[Text] The foreign policy activity of the U.S. Government in the capitalist world in 1977, the first year of J. Carter's term in the Presidency, attests to the desire of ruling circles to strengthen relations with their allies, especially with Western Europe and Japan, and broaden and reinforce the unified front of capitalist states for the joint resolution of existing problems and the elaboration of a common strategy in relation to the rest of the world. This political theory, which has taken appropriate diplomatic forms, is being implemented by U.S. ruling circles in complete accordance with the fundamental aims of a group of foreign policy theoreticians, one of the members of which is the author of the book "Diplomacy for a Crowded World"--George Ball, former under secretary of state and now a banker and prominent expert on international relations. Close in outlook to top-level officials in the present administration, G. Ball expresses the views of the Washington elite. The contents of this book provide a good understanding of the goals and basic foreign policy principles by which the Carter Administration is now guided in its international practices. This is the reason for the significance and topical importance of G. Ball's voluminous work.

The author derives his basic conclusions from a critical analysis of U.S. foreign policy during the Nixon Administration and part of Ford's term in office, devoting a great deal of attention to the foreign policy approach of former U.S. Secretary of State H. Kissinger. G. Ball feels that the Nixon Administration, in its attempt to correct some of the errors committed by the Kennedy and Johnson administrations, made several new mistakes, the major one being its departure from close cooperation with the United States' allies. After Vietnam, G. Ball writes, the United States should have turned its attention to its allies, particularly to Western Europe, but neither Nixon nor Kissinger wished to revive the policy of alliances as a central strategy, even though this was the reason for the strong position occupied by the United States in the world after World War II (p 8). The preference given to "personal diplomacy" by the U.S. Government, the conflicts between the administration and Congress and the incorrect use of the CIA aided, in the author's opinion, in eroding "the structure of alliances that had been laboriously built up over the years" (p 13).

It is interesting that this basic point of criticism of the previous U.S. administrations was widely accepted by the higher echelon of the Democratic Party long before the presidential campaign of 1976 and, as we know, was used by J. Carter during the pre-election struggle. Moreover, the basic foreign policy line of the United States after the new President took office

became a course aimed at the improvement of relations with allies, which is attested to by the fact that Vice-President W. Mondale's first visits on the official level were paid to Western European countries.

G. Ball links the need for closer interrelations with allies with a number of global issues, such as problems connected with the population explosion and the depletion of the planet's natural resources, which the United States cannot solve on its own. G. Ball assigns a significant place to these processes and calls them the "new danger," in contrast to the "old danger"--the proliferation of nuclear and conventional weapons--which requires immediate resolution. G. Ball feels that global issues demand a change in the United States' approach to cooperation with all interested nations, including the countries of the Third World.

Turning directly to the formulation of his ideas on future U.S. foreign policy in a "crowded world," G. Ball passionately defends the three principles on which, in his opinion, U.S. foreign policy should be based. These are "cooperation, balance and domination" (p 301). The first of these principles should be founded, the author feels, on some kind of international agreement, in accordance with which the major powers would undertake to act either separately or together to resolve or prevent conflicts between the smaller nations (ibid.). Up to the present time, G. Ball feels, attempts to conduct this kind of policy have not produced the desired results. Only the balance of power policy, he concludes, is a realistic course for U.S. foreign policy as a whole. Consultations and the formulation of collective policy within the framework of a widening group of like-minded states represent the essence of this policy (p 304). Some of Ball's statements attest to the fact that he does not regard cooperation with the USSR as a major aspect of U.S. foreign policy because this kind of cooperation has supposedly not produced the desired results in the past and, he assumes, probably will not produce them in the future, since the USSR, in G. Ball's opinion, has been reluctant to agree to some U.S. demands. G. Ball calls for the unification of only the Western world in a united front for the resolution of existing problems.

The fact that it is precisely this kind of strategic line that is adhered to by the current U.S. President and his associates is attested to by the London summit conference of May 1977 and the subsequent confidential meeting on West Berlin and session of the NATO Council. This line, however, has still not led the United States to success because of the considerable differences of opinion between capitalist states. G. Ball's second principle--"balance"--essentially consists in setting up a bloc of capitalist states in opposition to all other nations, and it has also proved to be unjustified. This became completely evident when united action by the Western countries failed at the talks on international economic cooperation in Paris.

As for the third principle proposed by G. Ball for the successful implementation of U.S. foreign policy, it also belongs to the realm of the past.

It was the "leadership" of the United States that allowed it to "dominate." Adapting to reality, G. Ball proposes that this principle be implemented by means of more flexible methods. "By displaying the proper respect for the opinions and demands of others," he writes, "we can and must lead" (p 330), basing this on "faith in ourselves," "our uniqueness as a nation," "our special mission" (ibid.), etc.

G. Ball feels that the assumption of leadership will necessitate the elevation of the tottering prestige of the United States and, above all, he calls for the revival of "moral principles" in the nation's foreign policy. In this connection, he writes: "Experience has repeatedly shown that diplomacy based purely on the manipulation of power without reference to any kind of accepted code of rules leaves no lasting monuments.... It must have a solid foundation, based on the observance of standards widely recognized as just" (p 309).

G. Ball proposes a specific way of reinforcing this celebrated "solid foundation": "encouraging our Western allies to work with us in the preservation of the NATO defense system" (p 316). Therefore, a "solid foundation," "universally accepted standards of justice" and so forth, in the final analysis, signify the military strength of NATO to G. Ball. The author does not see any contradiction in the fact that appeals for the reinforcement of military blocs are inconsistent with the creation of a peaceful atmosphere in the world in an era of detente. Moreover, he tends toward the belief that the policy of detente only "hypnotizes" the public and does not produce any real results. "Instead of talking about detente," he advises, "we should put it to the test" (p 316). Judging by his statements, this test would consist in transferring priority from Soviet-American relations to relations with the United States' allies and in setting the reinforced fortress of the capitalist states in opposition to the rest of the world.

#### Sociological Study of International Affairs

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 112-113

[Review by A. K. Andreyev of the book "Sotsiologiya i problemy mezhdunarodnykh otnosheniy" (Sociology and Problems in International Relations) by D. V. Yermolenko, Moscow, Izdatel'stvo Mezhdunarodnyye otnosheniya, 1977, 232 pages]

[Text] The subject of this monograph is problems in the theory of contemporary international relations. It examines such topics as the role of international relations in the contemporary social development of mankind, the effect of the scientific and technical revolution on several aspects of international relations, forecasting the development of international relations, and the international conflict as the object of sociological research. A significant part of the book is also devoted to a critical analysis of the works of bourgeois political scientists, primarily American studies.



Basing his discussion on famous works by other Soviet scholars, the author presents a comprehensive definition of the subject of "the special sociological theory of international relations with its more specific approach than that of general theory" (p 10). He singles out the areas of international relations that have received the greatest attention in Soviet and foreign science: the regulation of conflicts and disputes, the making of foreign policy decisions, the interpretation and analysis of foreign policy information, and various aspects of foreign policy planning and forecasting.

D. V. Yermolenko correctly points out the growing role of empirical research in the sociological study of international relations--the polling of population groups, prominent representatives of public opinion, scholars working on problems in the struggle for peace, disarmament, security and cooperation and so forth.

The author presents a system for the classification of various levels in the study of the subject matter of the sociology of international relations. "The highest level is that of the general theory of historical development--historical materialism.... The next level is that of special theories concerning particular areas of public life, processes, institutions and public awareness. Finally, the empirical level is the level of data collection, concrete experiments and surveys, the level lying at the basis of subsequent generalizations and summations" (pp 10-11). Soviet scholars are doing a great deal of work on all three levels, displaying increasing activity on the middle level by concerning themselves with aspects of specific or special theories on the most pressing problems in contemporary international relations of theoretical, ideological and political import.

It is precisely these projects that represent the connecting link between the highest level--the theory of historical materialism--and foreign policy practices. In this connection, the author's analysis of major trends in the scientifically substantiated foreign policy of the CPSU is quite deserving of attention, including his examination of the present policy which was elaborated and adopted at the 25th CPSU Congress.

On the basis of his trilevel system for the classification of sociological studies on international relations, D. V. Yermolenko singles out the five basic directions taken in these research projects from the standpoint of the elucidation of particular facts, phenomena and events in international life.

In the first of these directions, he includes general analysis of the nature of international relations, basic trends, chief tendencies, the relationship and role of objective and subjective factors and, on this basis, the role of worldwide systems, states, parties, the public and politicians. The second direction includes special research on the central categories of international relations--war and peace, foreign policy concepts and doctrine, strategy and tactics and so forth. The third direction takes in the study of categories indicating the position occupied by a state in the



international arena--its class nature, state interests, economic, scientific, technical and military potential and so forth. In the fourth direction, the author includes the study of categories and problems connected with the practical performance of foreign policy actions--foreign policy documents, the decision-making process, foreign policy information and the methods of its processing, foreign policy conflicts and the means of their resolution, etc. Here, Professor D. V. Yermolenko correctly notes that the scholars in the socialist countries have not engaged in enough sociological studies of an interdisciplinary nature. The fifth direction, in the author's view, is the study of tendencies in the development of international relations and the determination of future probabilities (forecasting). Here it is necessary to note that the separate categorization of the forecasting of international relations only seems justified from the standpoint that it is the most complex and least developed type of scientific work in this area. At the same time, prediction can (and frequently, simply must) be present in any of the research directions listed above. In reference to this system of classification, we could argue with the author over the inclusion of individual elements in a particular category, but the especially useful nature of this kind of classification system in the sociological study of international relations is indisputable from the standpoint of the further development of theoretical and applied studies in this area.

The ideological struggle is also analyzed in detail by the author. He criticizes the bourgeois theories of the "end of ideology," which were advanced in the 1960's, and the current attempts at the reideologization of the foreign policy of the United States and the other capitalist countries, which have taken the form of more intensive and subversive propaganda in the spirit of the cold war and intervention in the domestic affairs of other states (pp 87-97).

The author describes the Marxist-Leninist fundamentals of scientific prediction and, on this basis, presents thorough criticism of bourgeois forecasting methods and several large-scale forecasts. The author's general assessment of the development of social forecasting in the United States, Western Europe and Japan in the 1960's and 1970's is particularly important as an aid to understanding the basic tendencies in the development of forecasting in the capitalist world (pp 148-149).

The section discussing international conflicts as an object of sociological research amplifies the research findings of such famous Soviet experts on this subject as V. V. Zhurkin, Ye. M. Primakov, A. K. Kislov and V. I. Gantman. The author presents an original procedure for the analysis of international conflicts, which (in an abbreviated form) involves the following steps: 1) the nature of the particular conflict; 2) the nature of the causes of the contradictions underlying the conflict; 3) the specific causes of the conflict; 4) the degrees and levels determining the heightened danger of intensification and escalation of the conflict; 5) the determination of possible policies, guidelines and methods for alleviating,

resolving and, in some cases, preventing the conflict. This procedure is of indisputable theoretical and practical value.

#### Canadian Labor Movement

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 113-116

[Review by S. F. Molochkov of the books "Rabocheye dvizheniye v Kanade (1929-1939)" (The Labor Movement in Canada [1929-1939]) by O. S. Soroko-Tsyupa, Moscow, Izdatel'stvo Moskovskogo universiteta, 1977, 268 pages, and "Kanada: profsoyuzy i klassovaya bor'ba proletariata (1965-1975)" (Canada: Trade Unions and the Class Struggle of the Proletariat [1965-1975]) by G. A. Tsytina, Moscow, Nauka, 1977, 206 pages]

[Text] O. S. Soroko-Tsyupa's monograph is of particular interest as Soviet historical science's first study of the development of the Canadian labor movement. Its chronological framework encompasses the period whose events have become the focus of attention for representatives of the Canadian public and political circles. This is completely justified: After all, the Canadian economy is now in a slump, accompanied by an unprecedented rate of unemployment for the postwar period (9.1 percent in the summer of 1977). Representatives of the ruling class warily recall the intensification of class conflicts during those years, and progressive figures in the labor movement are fascinated by the mass-scale struggle of the workers for their rights and against the threat of a new world war.

It is precisely the mass movements of social protest headed by the working class, which constitute the main feature of Canada's history during the pre-war decade, that are examined in the work being reviewed.

The author recalls that the worldwide economic crisis of 1929-1933 had a particularly destructive effect on Canada. Because it was largely dependent on foreign trade, primarily with England and the United States, the Canadian economy was made particularly vulnerable by the collapse of the export markets. By the beginning of 1933, industrial production had declined by almost 50 percent and more than 700,000 persons were unemployed (p 15). The crisis in industry was combined with dramatic intensification of the agrarian crisis, particularly in the Prairie Provinces, where the average annual income from agriculture in 1933 was only 6 percent of the 1928-1929 level (p 21). Tens of thousands of farmers were ruined and supplemented the part of the army of unemployed that was unrecorded in official statistics.

The dramatic decline in the material status of the workers intensified class conflicts and the class struggle in the nation. Analyzing conditions in the labor movement at that time, the author indicates the reasons for division in its ranks and reveals the compromisory role played by the reformist current in the union movement. The process by which the schismatic tendencies prevailing in the Canadian trade unions prior to this

time gave way to tendencies toward unification is traced in the work. In essence, these tendencies resulted in considerable advances in the Canadian union movement in the postwar years.

Leftist forces in the labor movement, headed by the Communist Party of Canada, made an important contribution to the eradication of schism and the demoralizing effect of the economic crisis (pp 97-104 et passim). By 1929, the leftists, under the guidance of the communists, had established a new central trade union--the Labor Unity League, which supervised the organization of workers without trade unions, the unification of the movement of the unemployed with the general struggle of the working class and the development of a leftist opposition in the reformist trade unions (pp 101-102). The monograph contains a collection of interesting material on the struggle to found a third party, which led to the establishment of the Federation of Cooperative Development and Cooperation (FCDC), a worker-farmer organization, in 1932. From the very beginning, the top levels of this organization were controlled by petty bourgeois elements, which later caused it to take a social-democratic position and predetermined the profound crisis in the federation at the end of the 1950's.

Pursuing a course involving the suppression of any sign of protest by the working masses from the very beginning of the crisis, the Canadian bourgeoisie tried to deprive the organized ranks of the nation's blue- and white-collar workers of their leaders. The leaders of the Communist Party, headed by T. Buck, were arrested, and party activities were prohibited on the grounds of Article 98 of the criminal code. Party leaders were sentenced to long prison terms, and it was only the mass protest movement organized by the Canadian Worker Protection League that released them from behind bars in 1934, long before their sentences were up.

The author presents a detailed discussion of the new stage in the activity of the Communist Party of Canada, which began with the Ninth Central Committee Plenum (1935). The plenum called for united action by the Communist Party and the FCDC and expressed the party's willingness to join the federation as a collective member. It commended the Labor Unity League's decision to merge its trade unions with organizations of the Canadian Professional and Labor Congress. It also commended the proposal by W. Kashtan, secretary of the Communist Youth League of Canada (now secretary-general of the party), that an all-Canada youth congress be convened to establish a united front of youth organizations (pp 161-162).

One of the most brilliant pages inserted by the Canadian labor movement into the history of the 1930's was its struggle against the danger of fascism and war.

During the course of this struggle, there was a shift in emphasis in the consciousness of the working public from its traditional pacifism to anti-fascism, which attested to a higher level of class awareness in the proletariat (p 252). The most powerful demonstration by the Canadian workers



in the defense of peace and democracy was the communist-headed movement for assistance to republican Spain, the significance of which has been recognized more and more by the democratic Canadian public in recent years.

G. A. Tsysina's book would seem to be the natural continuation of the theme examined in the previous work. The author analyzes the current stage in the Canadian labor movement and the struggle of this nation's workers for their economic and political rights and examines progressive tendencies in the union movement and the problem of the unity of leftist forces in this struggle.

The author proves the unrealizable nature of the Canadian Government's promises to guarantee "full employment"—that is, to reduce the unemployment rate to 3 percent of the able-bodied population (p 35). Data on the rate of unemployment after the publication of G. A. Tsysina's work (more than 8 percent in the summer and fall of 1977) reaffirm the accuracy of her conclusion regarding the inability of state-monopolistic regulation to provide jobs for the workers who have been crowded out of the labor sphere by the more extensive introduction of automation and other results of the scientific and technical revolution (p 33).

Just as it did in the 1930's, the Canadian bourgeois government is again revealing its inability to solve the unemployment problem, the rate of which is higher in Canada than in any other developed capitalist country. Besides this, the government is actively assisting the monopolies to suppress a rise in wages. After the failure of many attempts to gain the consent of the nation's trade unions to "voluntary" wage controls, the Liberal Party government instituted wage and price controls in October 1975, justifying this move by the need to combat inflation. The government measures did not stop the rise in prices and profits, but they did freeze wages and undermine the potential of the workers to defend their rights during the course of collective bargaining (p 39).

The author examines the structure and organizational features of the Canadian union movement in detail and describes its main centers: The largest is the Canadian Labor Congress (CLC), which unites more than 70 percent of the members of all trade unions; another is the Confederation of National Trade Unions (CNTU), a regional center in the Province of Quebec which takes in the French-Canadian unions, representing more than 5 percent of all organized workers (pp 56-57).

G. A. Tsysina devotes particular attention to the problem of the multinational (American-Canadian) trade unions, the leaders of which give priority to the interests of the American branches of the unions (representing more than 90 percent of the total membership) in the elaboration and implementation of specific decisions, frequently to the detriment of Canadian interests. Particularly fierce confrontations between the Canadian branches and the leadership of the multinational trade unions have been seen in recent years in the approach to the distribution of jobs between the



United States and Canada. The author notes that the top-ranking AFL-CIO leaders not only wholeheartedly support Washington's various protectionist measures, from which Canadian exports suffer most of all (more than 70 per cent of Canada's exports go to the United States), but also propose initiatives aimed at the institution of new measures, despite the protests of the Canadians (pp 70-72). It is not amazing that a movement for the autonomy of their branches has begun to gain strength among the Canadians, or if autonomy should be made impossible by the resistance of the reactionary multinational leadership, then a movement for a total break with the multinational union. During the 1970's, the struggle for autonomy has transcended the framework of local branches and has involved the entire trade-union movement (pp 72-73).

The problem of the political unity and political actions of Canadian trade unions is given a special place in the work. Obvious positive changes have been noticeable in recent years in this direction; the remaining traces of cold war anticommunism are being overcome. The increased political activity of trade unions in Quebec, which are in the left wing of the Canadian labor movement, is noteworthy (pp 94-96, 97-103). The tendency toward a leftward shift in the Canadian trade-union movement can serve as yet another convincing illustration to substantiate the conclusion in the Accountability Report of the CPSU Central Committee to the 25th Party Congress in regard to the general leftward shift in trade unions in the capitalist countries.

For the first time in Soviet scientific literature, G. A. Tsysina analyzes concrete information on the struggle of the Canadian workers in defense of their own interests during the course of collective bargaining and on the efforts of employers, assisted by the bourgeois government, to adapt the bargaining procedure to the new level of the class struggle, which has made it exceedingly difficult for the trade unions to make use of their strongest weapon--the strike (pp 104-137).

Nonetheless, an almost uninterrupted upsurge in the strike movement has been seen in Canada; in terms of this level, it occupies one of the leading positions in the capitalist world (p 138). As the author shows, this movement has acquired a permanent nature, of equal intensity in periods of economic upswing and in periods of recession. Moreover, the so-called anti-inflation program of the government, G. A. Tsysina writes, brought the Canadian trade-union movement into direct conflict with the entire system of state-monopolistic capitalism, an example of which may be seen in the National Day of Protest on 14 October 1976, when hundreds of thousands of Canadian workers demanded that wage controls be lifted as soon as possible (p 167).

The inevitable growth of the workers' struggle beyond the narrow trade-unionist framework and the obvious increase in its political emphasis are causing the masses of blue- and white-collar workers to sever their ties with the ideology of the bourgeois parties dominating Canadian politics. The creation of a united front of Canadian democratic forces, which was proposed by Canadian communists as early as the 1930's, is an idea which

acquires particular significance under these conditions. In 1976, the 23d Congress of the Communist Party of Canada again addressed the New Democratic Party (founded in 1961)--the successor to the PCDC--with an appeal for united action. Just as in the 1930's, however, Canadian social-democrats rejected the communist proposal, adhering to their old and, as experience has shown, unproductive course of establishing political alternatives to the Liberal and Conservative parties without communist participation.

In her description of the 1965-1975 period as a whole, G. A. Tsysina arrives at the sound conclusion that this decade represents a period of upsurge in the labor and union movement that is unprecedented in Canadian history (p 200).

The books by O. S. Soroko-Tsyupa and G. A. Tsysina will assist the reader in understanding many of the important features of the development of the contemporary Canadian labor movement and the internal political situation in Canada as a whole, as well as in understanding their causes, which are rooted in the stormy 1930's.

#### Western Movies and Kitsch

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 116-117

[Review by V. A. Voyna of the books "Vestern. Evolyutsiya zhanra" (The Western. Evolution of the Genre) by Ye. Kartseva, Moscow, Iskustvo, 1976, 255 pages, and "Kich, ili torzhestvo poshlosti" (Kitsch, or the Triumph of Vulgarly) by Ye. Kartseva, Moscow, Iskustvo, 1977, 159 pages]

[Summary] The western movie is the most typically American genre in U.S. cinema. The heroes of the western--cowboys, Indians, trappers, gold prospectors, bandits and sheriffs--and its plots, generously seasoned with romantic adventures, fistfights and gunfights, and chases through the valleys and canyons of the Wild West, occupy an important place in American mythology and the American mentality in general.

Ye. Kartseva traces the history of the western movie over more than 75 years. The genre began with "The Great Train Robbery" in 1903, only 8 years after the film projector was first demonstrated as a new invention. This first film was a masterpiece in the professional sense because many of the cinematic techniques that have become elementary were used here for the first time. Traditionally, film critics have either written about the western in contemptuous tones or not at all, but, even today, 1 out of every 10 American films is a western.

The other book being reviewed in this article is a study of "kitsch"--the name given by journalists and critics to the surrogate art works of the consumer culture. The creators of kitsch are purveyors of reality seen

through rose-colored glasses. Even the most pressing social problems can be turned into something charming and picturesque by them. Kitsch presents life without any of its dark sides.

The author analyzes the philosophical and social implications of kitsch, its psychological roots and its aesthetic principles. She shows how its creators adapt the highest examples of culture to the undiscerning taste of the common man. In both of these books, Ye. Kartseva proves that conformity and vulgarity in bourgeois art do not depend on the genre. She also underscores the fact that vulgarity is not harmless: It fosters bad taste and this can reinforce conformity and political passivity.

8588

CSO: 1803

## SINO-AMERICAN CONTACTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 118-124

[Article by A. A. Nagornyy]

[Text] The current stage in Sino-American intergovernmental relations began with President Nixon's visit to the PRC in February 1972. The Shanghai Communiqué signed at that time states that "serious, exhaustive and sincere conversations" took place between the American President and the Peking leadership and that the two sides agreed to maintain bilateral contacts through various channels "for the purpose of the further normalization of relations between the two countries and the continued exchange of views on matters of common interest."<sup>1</sup>

The absence of normal diplomatic relations between Washington and Peking and, consequently, of intergovernmental agreements on economic, cultural, scientific and technical cooperation had an extremely specific effect on the organization of mutual exchanges. Instead of taking the form of the legal contractual system current in international practice, they have developed on a formally unofficial basis, on the initiative of non-governmental organizations but with the silent consent and, frequently, active assistance of both governments. These contacts can be divided into two large groups: unofficial contacts taking the form of strictly private initiatives, and semiofficial contacts carried out with the direct participation or assistance of government agencies. Naturally, this system of classification is quite conditional since it is sometimes extremely difficult to distinguish precisely between semiofficial and private visits.

### Unofficial Exchanges

After the start of "ping-pong diplomacy" in 1971, a kind of vogue came into being in the United States for trips to "enigmatic" China, "incomprehensible and inimitable." In the 1970's, the absolute majority of American-Chinese exchanges have been accomplished through this channel, and initiative has been displayed both by the Americans and the Chinese in this matter. Peking's centralized control over the development of unofficial and private contacts, however, gave the Chinese side certain advantages: There were no special



obstacles to its regulation of trips to the PRC by Americans, not to mention visits to the United States by the Chinese. According to American estimates, the Chinese issued visas to no more than 1 percent of the American citizens applying for them. They were quite selective in sending out invitations. According to Stanford University researcher P. Murray, the Chinese side had its own specific reasons for each invitation: either a desire to make a symbolic gesture, or the hope of gaining access to technical information, or sometimes even a desire to influence the views of American foreign policy forces and groups.<sup>2</sup>

Private individual or group trips of this kind now constitute up to 40 percent of all visits to the PRC by American citizens.<sup>3</sup> Many are visits by Americans of Chinese origins, for whom the Peking authorities show a preference, both in the execution of formalities and during the course of the tour itself.

Contacts of a sociopolitical, commercial and technological nature have been particularly numerous. But exchanges in the cultural sphere have been few. They have essentially only consisted in the organization of one large Chinese exhibit of archaeological findings in the United States and the Chinese tour of the Philadelphia Orchestra.

Sociopolitical Contacts--As was pointed out above, the Chinese side has not only reserved the last word in determining the nature and makeup of American delegations in the PRC, but actually dictates its own terms in all cases. The basic principles by which the PRC authorities are guided in the development of sociopolitical ties with the United States was formulated by Mao Tse-tung in December 1970 in an interview conducted by E. Snow, during which he underscored his desire to invite Americans "from the left, from the center and from the right" to China.<sup>4</sup>

For example, in 1971 and 1972 China was visited by delegations from such organizations as the Black Panthers, Radical Students for a Democratic Society and others. The proportion accounted for by organizations of this kind later decreased gradually both in absolute and relative terms, even though Peking continues to maintain "special" relations with some leftist radical and ultra-leftist organizations. In particular, in 1975 Peking was visited by the leaders of the pro-Peking Guardian group, Smith and Zilber, who negotiated the organization of trips to the PRC by their activists.

The strongest contacts with organizations of this kind have been established by the PRC with the so-called Association for Sino-American Friendship (ASAF). Its first local branch was formed in 1970, and in 1974 it grew into a nationwide organization. It now has 70 branches in different American cities and, according to some sources, receives financial support from Peking.<sup>5</sup> Its charter states that the association sees its purpose in "contributing to the establishment of a strong and indestructible friendship between the American and Chinese people by means of educational propaganda campaigns in the United States and cultural exchange between the two countries."<sup>6</sup> In its publications, the association adheres to a pro-Peking interpretation of political and social

events. Although the original group of founders of this organization consisted of individuals with ultra-leftist convictions, the ASAF quite soon became inundated with a fairly large "apolitical" group of Americans, mainly from the intelligentsia, which has traditionally taken an interest in China.

To a significant extent, the association's growth was promoted by the willingness of the Chinese authorities to issue visas to applicants recommended by the association, which attracted people of the most varied political views to the ASAF. Membership in the association is not, however, a mandatory condition for trips to the PRC, particularly when the Chinese side informs association leaders in advance of the desirability of including a particular American in a delegation. Political sympathies for the PRC are indisputably still an essential prerequisite for this kind of trip. It is interesting to note that the Chinese side regards its interrelations with the association as a concrete sign of its extra-governmental diplomacy, which is supposed to win the trust of the general public in the United States. More than ten groups formed by the association have visited the PRC, and a significant part of the expense has been taken on by the Chinese.

Since 1973 Peking has begun to shift its area of emphasis first to contacts with American liberals and then to the development of contacts with conservative groups in the United States, striving to win the support of as much of the American public as possible. The PRC has been visited by such liberal experts on China as J. Fairbank, O. Lattimore and J. Cohen, a group of prominent journalists from influential newspapers (THE NEW YORK TIMES and THE WASHINGTON POST) and a delegation from the American organization "Women for International Understanding."

By making rabid anti-Sovietism the center of its foreign policy, Peking has been able to use this as a basis for quite specific contacts with the most reactionary groups in the United States, occupying extremely anti-Chinese positions until recently. Senator H. Jackson (on a private visit), columnist J. Alsop and former Secretary of Defense J. Schlesinger have been received in the PRC. Schlesinger was in Peking when Mao Tse-tung died. He was not only one of the few foreigners allowed to view Mao's coffin, but was also permitted at this uneasy time for China to make an extensive tour of restricted areas (Sinkiang and Inner Mongolia), which concluded with a confidential meeting with the new leader of the PRC, Hua Kuo-feng.

A special place in Peking's unofficial diplomacy was assigned to R. Nixon's visit in February 1976. The Chinese authorities made use of this to unequivocally express their dissatisfaction with the standstill in American-Chinese relations, which had begun, in their view, with the arrival of the Ford Administration.

It is indicative that the tendency toward deeper ties with the more reactionary circles of the United States was continued by Peking even after there was a change in the administration. For example, one of the foremost American

"hawks"--Retired Admiral E. Zumwalt--was received in China with a great deal of ceremony.

**Trade and Economic Contacts**--The expansion of commercial exchange took place against the background of the rapid growth of U.S.-China trade, the volume of which increased virtually from zero to 900 million dollars in 1974.<sup>7</sup> Many American businessmen were attracted by the international trade fairs in Canton. For example, while the Americans were not represented at all at these fairs in 1971, in 1972 they were visited by around 100 Americans, and in 1975 a record number of American companies (at least 450) sent 600 representatives to Canton. But there was a noticeable decrease in the number in 1976 (of 10 percent).<sup>8</sup>

In addition to these short business trips, some American companies concluding deals for the sale of equipment and entire plants send their engineers to the PRC for extended periods (of up to 2 years) to assist in setting up production processes and also hired Chinese experts on temporary assignments for the purpose of technology transfer. Exchanges of this kind only take place within the framework of the larger contracts. The first to result in bilateral exchange was the agreement concluded in 1973 with the Kellogg firm, in accordance with which 12 American specialists have been supervising the construction of eight enterprises for the production of chemical fertilizers in Szechwan Province since mid-1975. After this, around 100 other Americans went to the PRC on similar assignments. In turn, Chinese specialists are to undergo on-the-job training at Kellogg plants in the United States. A relatively large number of Chinese came to the United States in connection with the deal concluded with the Boeing firm for the purchase of ten passenger planes. More than 300 Chinese have received on-the-job training at American enterprises.<sup>9</sup>

As for foreign trade ties, these are generally established through American agencies. The PRC officially works with 15 companies, whose representatives visit Peking regularly.<sup>10</sup>

**Scientific and Technical Exchanges on the Unofficial Level**--Although data cited in a special subcommittee of the House of Representatives indicated that more than 1,000 representatives of the U.S. scientific community had visited China, an even greater number of applications by American scientists wishing to visit the PRC on an individual basis were refused. In part, this is due to the fact that the Chinese authorities prefer to deal with professionally oriented group delegations. The greatest percentage of these has been accounted for by experts in the natural sciences, a slightly lower percentage has been accounted for by medical personnel and the smallest group has been the specialists in the humanities. It is noteworthy that a significant percentage has been represented by American scientists of Chinese origin (from 20 to 25 percent).<sup>11</sup> The Peking authorities have given them the greatest access to various aspects of Chinese life in the hope of further productive cooperation based on their common nationality, and the Americans have seen this kind of exchange as an important additional channel for the acquisition of political, economic and scientific information. The importance



attached in Peking to work with American scientists of the Chinese nationality is attested to by the fact that top-ranking leaders of the PRC have more than once received such prominent representatives of the U.S. scientific community as the physicist Yen Chen-ning and Li Chen-liang and several others.

Some American universities have also established direct relations with the PRC. During the last 3 years, delegations from at least 12 different universities went to the PRC, including delegations from the University of California (in Berkeley), New York University and Harvard. As a rule, these included representatives of the most varied branches of knowledge, which made these trips more like tourist excursions than anything else. Since the beginning of the 1970's, only two American scientists have been given an opportunity to conduct joint experiments with Chinese colleagues. Temple University genetics expert M. New worked at the Peking Institute of Zoology in 1973, 1975 and 1976 for a period of 6 months each time; in 1973, C. Chang, professor of physics at the Catholic University of America, conducted joint studies with meteorologists in the PRC for 4 months.<sup>12</sup> In 1976, American scientists attended an American-Chinese symposium on ion implantation. Broader contacts are being established through the national academies of sciences. In October 1977, a delegation of Chinese specialists in tunnel construction visited the United States and several American delegations went to the PRC, including specialists in astronomy, art, linguistics and other fields. In all, the U.S. and PRC academies of sciences were to exchange 12 delegations in 1977.

In spite of numerous invitations, Chinese scientists have rarely made reciprocal visits. A delegation from a Chinese meteorological society visited the United States on a private basis, as well as three groups of physicists, two of which attended international conferences on automatics and mechanics.

#### Semiofficial Exchanges

A much more important role in the establishment of political interrelations between the United States and the PRC is played by semiofficial exchanges. In accordance with an agreement, the two governments not only cover all of their guests' traveling expenses inside the country, but also assist them in drawing up programs and itineraries, which, under present conditions, is regarded as a process of putting the "spirit" of the Shanghai Communique into everyday practice.<sup>13</sup>

Exchanges of this kind can be divided into two groups in terms of the extent of participation in them by official powers.

Exchanges of Representatives of Local and Central Agencies of Power Involving the Closest Contact with Government Agencies--This channel cannot be called "full-blooded" as it has still only taken the form of one-way traffic from the United States to China, without any reciprocal visits by Chinese delegations. Up to 1978, China had been visited by 14 groups of congressmen, and 13 of these trips were taken on the United States' initiative while only 1 was initiated by the Chinese (Senator Percy's group in August 1975). Virtually all of the leading members of Congress have been to the PRC. The



intensity of these trips grew in direct proportion to the aggravation of the internal political situation in China (for example, the PRC was visited by eight groups of congressmen in 1975 and 1976). Besides this, China was also visited by a delegation of state governors and a group of members of the White House staff.

**Semiofficial Exchanges in the Technological, Cultural and Commercial Areas--** The relative distance of these aspects of bilateral relations from purely political problems is the reason for the lesser degree of involvement by government agencies in this kind of exchange. In the United States, the organizers of these contacts are the so-called specialized committees. The most active of these have been the Committee for Scientific Exchanges with the PRC, established in 1966 by three scientific associations (the National Academy of Sciences, the Social Sciences Research Council and the American Council of Learned Societies), the National Committee on U.S.-China Relations, which has also been in existence for around 10 years, and, finally, the National Council for the Promotion of American-Chinese Trade, founded in 1973 by 140 firms. They receive moral and financial support from federal agencies and work closely with them. At the same time, they display a certain degree of independence in their contacts with the corresponding Chinese organizations. It is precisely in this sphere of exchange that the highest degree of "reciprocity" is seen--that is, reciprocal trips to the United States by Chinese. On the whole, this channel accounts for 75-80 percent of the total number of Chinese visiting the United States in recent years. The proportion accounted for by this channel in trips by U.S. citizens to the PRC, however, is much more modest: no more than 10 percent of the total American traffic.<sup>14</sup>

The Committee for Scientific Exchanges with the PRC has a virtual monopoly on this sphere of final-American contacts. It has substantial financial resources, which it receives from its founding organizations, as well as from several philanthropic foundations (especially the Carnegie and Hazen foundations) and federal agencies (primarily the State Department). In May 1973, its representatives went to Peking to work out an agreement on scientific exchanges between the United States and the PRC. It was resolved that exchanges of this kind should be agreed upon each year by means of mutual consultations and that they would be planned on a short-term basis (from 2 weeks to a month and a half) in the form of group visits (delegations of no more than 25 individuals).<sup>15</sup> Since 1973, the committee has sent 20 delegations of specialists in the natural sciences and the humanities to China. It has welcomed 27 Chinese groups, only 2 of which (librarians and English teachers) were not connected with the natural sciences. Most of the Chinese scientists visiting the United States have been specialists in the fields of electronic computer equipment, laser technology, hydraulic engineering and telecommunications.

As the committee bulletin has pointed out, the Chinese have displayed a constant and keen interest in theoretical and experimental projects involving plasma physics and controlled thermonuclear reaction, the physics of high temperatures, aerodynamics with special emphasis on changes in the aerodynamic

properties of flying objects in the higher strata of the atmosphere and in outer space, and various branches of oceanography and marine development.<sup>16</sup>

The Chinese authorities not only "aim at a target" when they form their delegations for visits to the United States, but they also strive to make maximum use of visits by American scientists for the acquisition of information on the latest technology. As we know, most of the research projects in the United States are conducted by private companies, and the Committee for Scientific Exchanges has already turned to them several times, requesting them to receive Chinese groups. As a rule, American firms have eagerly agreed to these requests, regarding this kind of guided tour as a unique "guarantee" of future Chinese purchases in America. The American hosts (university centers and private companies) have generally presented their Chinese guests with quite extensive opportunities to acquire the information in which they are interested. For example, delegations from the PRC have visited the laboratory complex of the aerospace industry in Houston, the foremost research center for the study of weather control in Princeton, etc.

As the traffic of Chinese delegations grows and visits of this kind cease to be "new" and "sensational," the American organizations receiving them are asking more and more questions about the lack of "equivalence" in the exchange of information with the Chinese side.<sup>17</sup>

The National Committee on U.S.-China Relations is a kind of "head" organization in the area of American-Chinese cultural ties. Its financial assets are supplemented by funds received from the State Department (197,000 dollars in the 1975 fiscal year) and contributions from various types of philanthropic foundations (50,000 from the Rockefeller Foundation and 40,000 from the Mellon Foundation in the same year).<sup>18</sup> A significant part of these funds is spent on "educational programs" carried within the United States to influence public opinion. The first delegation from this committee, headed by the famous Sinologists R. Scalapino and A. Barnett, was received in Peking in the winter of 1973. Meetings were held at this time to discuss the development of cultural exchange. The Americans brought many proposals of mutual short-term and long-term visits with them from various American organizations, from a fine arts association to a society of foreign language teachers. But the Chinese did not agree to any significant expansion of these ties. Apparently, it was precisely because of this that the sides were unable at that time to conclude a formal agreement, and limited themselves to verbal agreements on future short trips in both directions.

Since that time, the committee has received seven groups from the PRC, including groups of tennis players and acrobats, a team of athletes in traditional Chinese sports and two gymnastics groups. The committee has sent the following to the PRC: a group of specialists in secondary education, a representative delegation of experts on international affairs headed by C. Vance (now U.S. secretary of state), a gymnastics team, a group of American university presidents and three delegations composed of social scientists and associates and members of the board of the National Committee

on U.S.-China Relations. Besides this, the committee took part in the organization of trips to the PRC for groups of American swimmers, men's and women's university basketball teams and the Philadelphia Symphony, and in the preparations for the Chinese exhibit of archaeological findings, which was conducted under the auspices of the National Gallery of Art and the National Endowment for the Humanities. This means that more than half of the persons participating in various types of exchanges organized by the committee were members of sports, cultural and artistic delegations.

The National Council for the Promotion of American-Chinese Trade receives financial support mainly from private firms--its members (there are more than 300 of them). Membership dues range from 250 to 2,500 dollars a year depending on the size of the company's income. It is also supported financially by charitable foundations (for example, the Mellon Foundation). This council established direct ties with the PRC immediately after its founding in 1973 by sending a delegation headed by council Chairman K. Phillips to Peking. As a result of talks held at this time, an American-Chinese protocol on the exchange of delegations, trade and industrial exhibits and information was signed. The council acts mainly as a middle-man in commercial transactions between American firms and the corresponding Chinese organizations; the latter then usually establish their own contacts and exchanges. Since 1973, the council has regularly had an information and advice booth at the fairs in Canton. But it still does not have a permanent representative in the PRC, content with stationing one of its employees in Hongkong. During the last 3 years, the council has welcomed at least six Chinese groups of trade workers to the United States and has sent four of its own delegations to the PRC. It also organizes regular tours of the United States for personnel of the PRC liaison office in Washington.<sup>19</sup>

According to the data cited by former Senator M. Mansfield after his trip to the PRC in a report to the Senate, China was visited by 11,000-13,000 Americans between 1972 and 1977, during which time 900 Chinese took trips to the United States.<sup>20</sup> This lack of proportion is due to the differences in the goals of the two countries and their approaches to the problem of the normalization of U.S.-Chinese relations. The issue of diplomatic relations is now on the agenda. As we know, the only thing that has been done in this area since the time of the Shanghai Communique has been the establishment of liaison offices in February 1973: an American office in Peking and a Chinese office in Washington. No significant changes resulted from the trip to Peking by the secretary of state of the new American Administration, C. Vance, in August 1977 either. The American side called this trip an "introductory visit," which, to some extent, characterizes the general approach to contacts and exchanges with the PRC. In this connection, we should note the attempts of the Republicans to underscore their priority in "opening the door" to China. For example, when the 28th anniversary of the founding of the PRC was celebrated, prominent figures in the Republican Party, W. Rogers, G. Bush, H. Baker and others, were in Peking.



While periodic visits by official representatives of Washington maintain the appearance of progress toward the normalization of interrelations between the two countries, the frequent trips made to China by persons close to American ruling circles and their meetings with Chinese leaders on different levels serve as channels for the acquisition of more extensive information on Chinese internal political tendencies, which might have some effect on the international outlook of the PRC and, consequently, a direct effect on American positions in Asia and in the world as a whole. The desire of the American scientific community to understand the profound social processes taking place in Chinese society and their attempts to gain a more complete idea of the PRC's technological and economic potential can also be viewed from this standpoint.

The Chinese side's motives for establishing contacts with the United States seem more complex, although the chief motive is evidently still the desire to achieve total recognition of the PRC by Washington on Peking's terms. By opening the door to a fairly broad stream of American visitors, the PRC authorities are primarily striving to use this channel as a means of political influence on the American administration through public opinion to ensure that the White House take a stand more beneficial to the PRC in the international arena. This applies above all to the Chinese attempts to sabotage the improvement of American-Soviet relations. There is no doubt that foreign policy organizations in the PRC have not lost sight of the fact that bilateral ties of this kind were to have a specific effect on third nations in the complex context of international relations. The assignment of political features to the bilateral exchanges has contributed to their intensification but has also made their development dependent on the total normalization of Sino-American relations. This contradictory approach is the reason why the PRC consented to receive a large number of delegations and individuals on the sociopolitical level and, at the same time, why it constantly declines to send reciprocal delegations of Chinese social and political figures to the United States.

The Chinese authorities' attempt to introduce "their own rules" into these exchanges and to give them distinct political overtones have resulted in complications more than once. For example, in March 1975 the State Department had to decline the request of a Chinese song and dance troupe for visas because their repertoire included the song "The Taiwanese Are our Brothers." Prior to this, the Chinese had subjected the repertoire of the Philadelphia Symphony to strict censorship during its limited engagement in the PRC.

Another equally important factor determining Chinese policy in regard to exchanges with the United States consists in Peking's obvious desire to turn these contacts into a source of information on modern fields of scientific and technical knowledge. Although contacts in these fields are less dependent on political issues, it is not difficult to see that the aggravation of the domestic political situation in China after Mao Tse-tung's death led to some inhibition of activity even in this sphere of such great



importance to the PRC. In recent months, however, the exchanges have been resumed and, as the WASHINGTON POST reported on 2 April 1977, contacts have become more active in all spheres--sociopolitical, scientific and commercial.

#### FOOTNOTES

1. PRAVDA, 1 March 1972.
2. "United States-China Relations: The Process of Normalization of Relations," Hearings...House of Representatives, Washington, 1975, p 55.
3. THE NEW YORK TIMES, 6 August 1973.
4. E. Snow, "The Long Revolution," New York, 1974, p 171.
5. "United States-China Relations," pp 61-62.
6. NEW CHINA, Vol 1, No 2, 1975, p 7.
7. A. Whiting, "China and the U.S.: What Next?" New York, 1976, p 19.
8. U.S. CHINA BUSINESS REVIEW, May-June 1976, p 47.
9. "United States-China Relations," p 61; U.S. CHINA BUSINESS REVIEW, January-February 1977, pp 28-29.
10. U.S. CHINA BUSINESS REVIEW, September-October 1976, p 23.
11. CHINA EXCHANGE NEWSLETTER, Spring 1974.
12. Ibid., Summer-Fall 1973.
13. "United States-China Relations," p 58.
14. Ibid.
15. CHINA EXCHANGE NEWSLETTER, Summer-Fall 1973.
16. Ibid., July 1975.
17. INTERNATIONAL HERALD TRIBUNE, 29 June 1977.
18. "United States-China Relations," p 224.

19. U.S. CHINA BUSINESS REVIEW, January-February 1974.
20. "China Enters the Post-Mao Era," A Report by Senator M. Mansfield, Washington, 1976, p 1B.

8588

CSO: 1803

**CHRONICLE OF SOVIET-AMERICAN RELATIONS (DECEMBER 1977 THROUGH FEBRUARY 1978)**

**Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 78  
pp 125-127**

**[Text] December 1977**

**4-6--P. Habib, U.S. assistant secretary of state, was in Moscow to consult with Soviet representatives on questions of Middle Eastern regulation.**

**5--Talks were resumed in Geneva between delegations representing the USSR, the United States and Great Britain for the purpose of working out an agreement on a total and universal nuclear test ban.**

**5-7--The second session of the joint Soviet-American commission on cooperation in power engineering was held in Moscow.**

**5-13--The fifth session of the joint Soviet-American commission on cooperation in agriculture met in Moscow.**

**6--A regular meeting of the Soviet-American talks on the limitation of strategic offensive weapons was held in Geneva.**

**6-10--Talks between Soviet and U.S. delegations continued in Berne on issues concerning the limitation of military activities by both sides in the Indian Ocean region.**

**9--Delegations representing the USSR, the United States and Great Britain met to discuss the conclusion of a treaty on a total and universal nuclear test ban.**

**12--Soviet Minister of Foreign Affairs A. A. Gromyko received U.S. Ambassador M. Toon at his request. Their conversation touched upon, in particular, the situation in the Middle East.**

**12, 14, 16, 20--Regular meetings between delegations representing the USSR, the United States and Great Britain were held at the talks in Geneva for the purpose of working out a treaty on a total and universal nuclear test ban.**

13--The delegations at the Soviet-American SALT talks agreed to adjourn from 17 December 1977 through 9 January 1978.

14-19--A preliminary exchange of views on some matters connected with the limitation of the international trade in armaments took place in Washington between Soviet and American representatives.

15--U.S. President J. Carter discussed American-Soviet relations at a press conference in Washington.

22--Several issues concerning Soviet-American relations were touched upon in a conversation between USSR Minister of Foreign Affairs A. A. Gromyko and U.S. Ambassador M. Toon, which took place at the request of the latter.

24--In response to the questions of a PRAVDA correspondent, General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev pronounced his views on the SALT talks, stating that there had been a recent escalation of the arms race in the West. L. I. Brezhnev warned that, if the neutron bomb were developed, the USSR would be faced "with the need to respond to this challenge for the purpose of safeguarding the security of the Soviet population and its allies and friends." On behalf of the USSR he proposed "agreement on a mutual refusal to produce the neutron bomb" to the Western powers.

30--U.S. President J. Carter held a press conference in Warsaw during his trip abroad, during the course of which he touched upon some aspects of Soviet-American relations.

#### January 1978

5--U.S. Ambassador M. Toon spoke in detail on strategic arms limitation in a U.S. NEWS AND WORLD REPORT interview.

9--The Soviet-American SALT talks resumed in Geneva. The heads of the Soviet and U.S. delegations met.

12--The states belonging to the "Club of London," including the USSR and the United States, submitted the official texts of the fundamental principles by which they intend to be guided in the export of nuclear materials, equipment and installations to the International Atomic Energy Agency.

13--Soviet Minister of Foreign Affairs A. A. Gromyko received visiting prominent Democrat and U.S. Senator A. Stevenson at his request. Their conversation touched upon aspects of Soviet-American relations, including arms limitation and disarmament as well as several international issues.

16--A new system of direct governmental communications between the USSR and the United States through artificial earth satellites was put in operation.



19--U.S. President J. Carter touched upon Soviet-American relations in the foreign policy section of his State of the Union Message.

22--A delegation representing the USSR Supreme Soviet, headed by B. N. Ponomarev, chairman of the Foreign Affairs Commission of the Council of Nationalities of the USSR Supreme Soviet, candidate for membership in the Politburo of the CPSU Central Committee and secretary of the CPSU Central Committee, left Moscow for an official visit in Washington at the invitation of the U.S. Congress. The delegation was made up of deputies G. A. Arbatov, V. I. Dovbysh, G. A. Zhukov, L. M. Zamyatin, N. N. Inozemtsev, Z. P. Pukhova, B. I. Stukalin, A. B. Chakovskiy and L. B. Shapiro of the USSR Supreme Soviet. This is the third exchange of parliamentary delegations between the USSR and the United States.

23--The delegation from the USSR Supreme Soviet visited the U.S. Senate, where views were exchanged on a variety of questions connected with Soviet-American relations. B. N. Ponomarev, head of the Soviet delegation, made an announcement on the major topics of discussion. A. Cranston, assistant majority leader in the Senate, then made a brief statement. In particular, he said that he saw no reason why the USSR and the United States could not work together in solving the major issues of our time and that this could only be accomplished in an atmosphere of peace.

Talks resumed in Geneva between the USSR, the United States and Great Britain for the purpose of working out a treaty on a total and universal nuclear test ban.

25--U.S. President J. Carter received B. N. Ponomarev, head of the delegation from the USSR Supreme Soviet, in the White House. They discussed Soviet-American relations and several other international issues. Participants in the conversation on the American side were U.S. Vice-President W. Mondale, the U.S. President's National Security Adviser Z. Brzezinski and R. Bartholomew from the National Security Council; Soviet Ambassador A. F. Dobrynin took part in the discussion on the Soviet side. A special statement issued by the White House described the conversation as a "friendly and productive" one.

The delegation from the USSR Supreme Soviet visited the House of Representatives of the U.S. Congress. B. N. Ponomarev spoke during the course of an exchange of views.

27--U.S. Secretary of State C. Vance received the delegation from the USSR Supreme Soviet. Soviet Ambassador A. F. Dobrynin was present at the meeting. At the end of the meeting, C. Vance said that he considers the Soviet delegation's visit extremely beneficial for greater mutual understanding between the USSR and the United States.

Summarizing the results of the discussion of a variety of international issues and Soviet-American relations by the delegation from the USSR Supreme Soviet and representatives of both congressional houses, B. N. Ponomarev said at a press conference in Washington that the talks in Congress were of a businesslike nature and were permeated by the desire of the Soviet and American participants to find a mutually acceptable common stand on pressing problems in Soviet-American relations and on the international situation as a whole.

J. Brademas, assistant majority whip in the House of Representatives, and A. Cranston, assistant majority leader in the Senate, represented the American side in assessing the results of the exchange of views in Congress. J. Brademas noted the beneficial and sincere nature of the discussion. A. Cranston said that the meeting between representatives of two such great powers as the USSR and the United States and their sincere discussion of major international issues will aid in improving mutual understanding for the purpose of consolidating peace and security and curbing the arms race.

31—A regular meeting of the Soviet and U.S. delegations was held at the SALT talks in Geneva.

February 1978

1—The delegation from the USSR Supreme Soviet visiting the United States went to the United Nations and was received by Secretary-General K. Waldheim. During the course of an exchange of views on several international issues, K. Waldheim noted the great contribution of the USSR in support of UN activities and in international detente. B. N. Ponomarev, head of the Soviet delegation, commented on the role played by the United Nations in the elaboration and implementation of decisions promoting the process of detente, the consolidation of peace and the resolution of problems that are still creating tension in various regions of the world.

The administrators of the American-Soviet Trade and Economic Council arranged for a meeting with the delegation representing the USSR Supreme Soviet in the United States. The meeting was attended by prominent representatives of the U.S. business community and the administrators of the National Association of Manufacturers, the Chamber of Commerce of the United States and some large American companies. The Soviet delegation was greeted by D. Kendall, chairman of the executive committee of the American-Soviet Trade and Economic Council and chairman of the board of PepsiCo. He said that the American business community favors the further development of American-Soviet relations and the expansion of economic and commercial ties which will promote stronger mutual understanding between the people of the USSR and the United States. B. N. Ponomarev, head of the Soviet delegation, said at the meeting that the USSR would continue to work toward the development of Soviet-American trade and economic relations on the basis of equality and mutual benefit.

2--The U.S. Arms Control and Disarmament Agency prepared a report for Congress in which it underscored the fact that the development of neutron bomb production in the United States would increase the danger of nuclear war and have a negative effect on the Soviet-American SALT talks.

3--B. N. Ponomarev, candidate for membership in the Politburo of the CPSU Central Committee, met in New York with Secretary General G. Hall of the Communist Party of the United States of America and National Party Chairman H. Winston. Their conversation took place in a warm and friendly atmosphere.

The delegation representing the USSR Supreme Soviet, headed by B. N. Ponomarev, left for its motherland. It was in the United States for 10 days on an official visit by invitation of the U.S. Congress.

6--Delegations representing the USSR, the United States and Great Britain met at the talks in Geneva for the purpose of working out a treaty on a total and universal nuclear test ban.

7-17--Soviet and American delegations in Berne continued bilateral talks on questions concerning arms limitation in the Indian Ocean. The delegations continued to discuss proposals made by both sides. The dates for subsequent meetings will be set by mutual agreement.

11--PRAVDA printed an article entitled "The Objective of Strategic Arms Limitation: Prospects and Problems."

11-13--A debate by representatives of the Soviet and American UN assistance associations took place in Sterling Forest (New York State). Central topics of discussion were the consolidation of peace, the curbing of the arms race and disarmament. The Soviet delegation was headed by Academician G. A. Arbatov. The U.S. delegation was headed by W. Scranton, famous politician and chairman of the U.S. association for assistance to the United Nations.

15--Assistant Director of the U.S. Department of State Office of Press Relations K. Brown responded to journalists' questions concerning the article in PRAVDA entitled "The Objective of Strategic Arms Limitation: Prospects and Problems."

16--A regular meeting of the Soviet and American delegations was held at the Soviet-American SALT talks in Geneva.

18--A new central branch of the National Council for American-Soviet Friendship was opened in New York. The opening ceremonies were attended by representatives of the New York public, progressive Negro organizations, worker and student youth and guests from other U.S. cities.

20--TASS announced the U.S. publication of a book by H. Haldeman--one of President R. Nixon's former assistants. The book contains slanderous lies about Soviet foreign policy.



24--The results of the U.S. trip of the USSR Supreme Soviet delegation were discussed at a regular meeting of the Presidium of the USSR Supreme Soviet. Summarizing the results of the discussion, General Secretary of the CPSU Central Committee and Chairman of the Presidium of the USSR Supreme Soviet L. I. Brezhnev said that the members of the delegation "had performed a useful job in the United States." Soviet-American relations, L. I. Brezhnev said, have now entered a period "during which it will be necessary to make new efforts to give these relations a dynamic and more constructive nature. Naturally, the USSR Supreme Soviet and the U.S. Congress could play a role in this." Commending the work performed by the delegation representing the USSR Supreme Soviet in the United States, the Presidium noted in its decree that contacts between the Supreme Soviet and Congress represent an important factor contributing to the development of cooperation between our countries in the interest of the Soviet and American people, the reinforcement of detente and the consolidation of international peace and security. The Presidium confirmed the invitation conveyed by the delegation from the USSR Supreme Soviet to the Senate and House of Representatives of the U.S. Congress to send their own delegations to the USSR on an official visit.

26--The U.S. State Department issued a statement in connection with L. I. Brezhnev's speech at the meeting of the Presidium of the USSR Supreme Soviet.

Senator E. Kennedy, famous American politician, spoke out in favor of the immediate conclusion of a new agreement on strategic arms limitation by the United States and the USSR. The senator said that any attempt to delay the conclusion of an agreement would be a mistake for the United States.

27--Delegations representing the USSR, the United States and Great Britain met at the talks in Geneva for the purpose of working out a treaty on a total and universal nuclear test ban.

COPYRIGHT: Izdatel'stvo "Nauka", "SShA--ekonomika, politika, ideologiya", 1978

8588

CSO: 1803

END



**END OF**

**FICHE**

**DATE FILMED**

19 May 78